



# ***Daily Report***

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## **China**

FBIS-CHI-90-175  
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10 September 1990

# Daily Report

## China

FBIS-CHI-90-175

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10 September 1990

NOTICE TO READERS: An \* indicates material not previously disseminated in electronic form.

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## General

### Article Views U.S.-Soviet Summit

HK1009130490 Hong Kong HSIN WAN PAO  
in Chinese 10 Sep 90 p 1

["New Talk" column: "Influence and Weight of U.S. Soviet Summit"]

[Text] In what way the Helsinki Summit between the U.S. and Soviet presidents will affect the outcome of the Gulf crisis will depend on the developments and changes in the situation over a period to come.

The communique issued by the two sides indicates that a peaceful settlement of the crisis remains an aim. But no definite commitment has been made to rule out the possibility of the use of armed force.

U.S. President Bush did say he would not rule out the possibility of use of force. But, only a month or so after the Gulf crisis took place in early August, one has already seen some changes in public opinion, both in the United States and abroad.

The United States has continued to send ground force, air force, navy, and marine units to the Gulf region, and the personnel deployed have now increased to 100,000. At the very beginning of the deployment some people did say that it will be ready to launch an offensive as soon as the deployment is completed. However, the boring life in the desert, the concern about the soldiers' security on the part of their families, and other factors have begun to exert an influence on many Americans and change their views on the situation. Now that U.S. President Bush has taken the initiative in proposing the third summit with Soviet President Gorbachev, whether he is looking for another way out is a really interesting question.

A point worth mentioning is that the U.S. mid-term election will be held very soon. To be sure, this year is not the year for the presidential election, but for the reelection of all representatives, one-third of senators, and some state governors. However, the election is, after all, of great significance to the political situation in the United States. Several former U.S. presidents suffered from the Vietnam war and the operation to rescue hostages in Iran. If Bush made any radical decision before the upcoming mid-term election, it would not necessarily be advantageous either to the administration or the Republican Party.

On the other hand, if the Gulf situation dragged on and Iraq continued to refuse to withdraw its troops from Kuwait before the U.S. mid-term election, it would be a significant negative factor to the prestige of the top U.S. leader. Therefore, many people regard 15 October as a crucial date.

So, in the next few weeks, in the agreeable autumn days to come, the United States, amid the Gulf crisis, will continue to demonstrate its military strength on the one hand and strive to seek a political solution on the other.

The U.S.-Soviet summit communique embodies the dual possibility of peace and war—while the wording of some passages is quite implicit and allows of diverse interpretations, the desire for peace seems to have been dominating all the messages conveyed outside the summit.

For Western Europe, except the UK, whose Prime Minister, Mrs. Thatcher, is still in favor of a military solution, all other countries have reservations on the issue. China for its part has expressly declared its stand—on the one hand, China hopes Iraq will withdraw its troops soon in compliance with the UN Security Council resolution, and, on the other, it opposes the use of force by any superpower because this will further aggravate the Gulf situation and will make the issue more complicated. Latest reports said that Sam Nunn, chairman of the U.S. Senate Armed Services Committee, had expressed his hope that the deployment of troops would be slowed down and more consultations be held with Arab countries. This is a noticeable statement.

The third U.S.-Soviet summit is held under circumstances still more complicated than those for the two previous summits. As the world is undergoing a major change, the current summit will not only affect the final outcome of the Gulf crisis but also the development of the world structure. How much influence and weight these two countries can still keep has yet to be seen.

### 'Roundup' on Consensus of U.S., Soviet Leaders

OW1009135090 Beijing XINHUA in English  
1329 GMT 10 Sep 90

["Roundup: U.S., Soviet Leaders Converge Yet Divided on Gulf Issue (by He Dalong)"]—XINHUA headline

[Text] Washington, September 9 (XINHUA)—The seven-hour summit in Helsinki between U.S. President George Bush and Soviet leader Mikhail Gorbachev reached wide consensus on the Gulf issue, yet rifts, particularly on specifics, still exist between the two superpowers.

A joint statement by the two leaders after their summit emphasized that nothing short of an Iraq withdrawal will be tolerated, calling for restoration of the legitimate Kuwaiti Government and release of all hostages.

In addition, they both want countries of the world to implement the resolution by the U.N. Security Council on economic sanctions against Iraq.

The seeming convergence of their stands on the Gulf crisis, however, cannot paint over their differences, as is shown by the results of the summit.

The U.S. retains the military alternative as a solution, whereas the Soviet Union is upset by the possibility of a large-scale war near its border.

Mr. Gorbachev repeatedly noted during the press conference at the end of the summit that his seven hours

with Bush were mostly devoted to find political solutions to the conflict. He also said that the Soviet Union will try to defuse the explosive situation.

Bush rejected Gorbachev's proposal for an international conference on the Middle East, a conference that will take the Gulf and the Israeli-Arab conflicts into one package for solution.

Bush believed that that would weaken the U.N. resolution on sanctions against Iraq.

The Soviet Union is also upset by the fact of huge concentration of U.S. forces in the oil-rich strategic region. Mr. Gorbachev, showing his concern, called it "an important statement" when Bush indicated that the Americans will not stay a day too many as soon as they feel satisfied about the region's security.

Analysts called to question of the statement, because U.S. Secretary of State James Baker III testified before the Congress a few days ago that the Bush administration was prepared to set up some NATO style security structure in the Gulf to "ensure the security and stability" of the place. Judging from that remark, U.S. forces will remain for some time in the Gulf for sure.

The U.S.-Soviet differences were also expressed in their strategic considerations. The U.S. believes that the Iraqi invasion of Kuwait posed "a political test" to the operating mechanism of the post-world war era and only the U.S. is powerful enough to should [as received] up the leadership role for a new order.

Mr. Gorbachev had something else to say. He told the press after the summit that, in this changing world, no country, however powerful, is able to provide the kind of leadership as it previous did. That fact, he noted, called for cooperation.

He also warned the U.S. not to stick to cold war mentality when he called for "new attitudes" towards the world affairs.

### **U.S.-Soviet Summit Developments Analyzed**

*HK1009070990 Hong Kong TA KUNG PAO in Chinese  
10 Sep 90 p 2*

["Political Talk" column by Shih Chun-yu (2457 0689 3768): "Each Gains Something at U.S.-Soviet Talks"]

[Text] On the eve of the emergency summit between Bush and Gorbachev, Finnish President Koivisto, as host of this meeting, cordially advised the world not to place too much hope on this meeting that had caught worldwide attention. The preliminary information that has come out since the meeting ended, shows that Koivisto gave the right advice.

According to their original plan, the talk between the two leaders would last five hours, but it turned out to be a seven-hour discussion focusing primarily on the Gulf issue. When they arrived, the two leaders said, as if by

prior agreement, that this meeting was held at a "critical moment." With regard to what the meeting has turned out, this remark seems to mean that the Gulf crisis has now entered a critical stage.

The meeting failed to give new comments or to make new decisions on settling the Gulf crisis. The joint statement reiterates that the act of aggression by Iraq is unacceptable and the problem should be settled in strict accordance with the five resolutions of the U.N. Security Council.

As to whether the goal should be achieved by peaceful means or by use of force, the joint statement is elusive: "We advocate a peaceful solution to the crisis," but "if the current steps fail to end the aggression, we are prepared to consider additional ones consistent with the U.N. Charter." So flexible is the wording that the United States and the Soviet Union may interpret it differently.

The question that had attracted much attention before the summit was whether the Soviet Union would deploy its troops when so requested by the United States. At the press conference following the meeting, Gorbachev made it clear that the Soviet Union had not promised anything on the use of military force and had reservations about solving the crisis by use of force. However, Bush said that the possibility of using military force had not been ruled out.

The joint U.S.-Soviet statement stressed the unity of the two superpowers in the face of the first regional conflict in the post-Cold-War era. The purpose is to display their strength to Saddam and also to show the world that these two countries will, as Bush said on arrival, "lay a cornerstone for a more peaceful, stable, and secure international order." What they hope to get at is not only a solution to the Gulf crisis itself, but also a formula for the operation of the new world structure.

Nevertheless, their calculations for their respective interests beneath this unity are quite obvious.

As far as the Soviet Union is concerned, the Gulf issue does not come high on Gorbachev's list of priorities to be handled. Domestically, under the pressure of economic and nationality problems, Gorbachev's authority is declining, his control weakening, and his economic reform policies are remaining in the background after long delays. It seems that he may have to compromise with Yeltsin, accept the 500-day proposal based on the latter's plan, and even sacrifice Ryzhkov, who has been taking care of economic policies for him for five years. The decision will have to be made this month on what should be done. For Gorbachev, this may be a "critical moment" of greater significance.

Gorbachev does not want to see the Gulf crisis stretching, still less to be drawn into it. But he is happy to use it as an access to his goal of strengthening his ties with the West and obtaining economic aid from them.

At the G-7 summit held in Houston in June, the United States still emphasized that, since there had been no fundamental change in the Soviet economic structure, it would not consider providing economic aid. This position held of the United States started to show less rigidity after yesterday's meeting. Bush, in return for Gorbachev's cooperative attitude, expressed his willingness to persuade the U.S. Congress to change their stand and offer economic aid to the Soviet Union. This is the biggest fruit that Gorbachev reaped at this meeting. As a close follow-up, Baker is to lead a group of businessmen to the Soviet Union, probably bringing with him some more glad tidings.

On the issue of the Gulf crisis, the United States and the Soviet Union are in unity on some points, but they also differ and even contradict on some other points. At present, both sides are seeking common ground while reserving differences. When the situation is different, changes can still be expected.

#### **Results of U.S.-Soviet Summit Viewed**

*HK1009100490 Hong Kong HSIN WAN PAO  
in Chinese 10 Sep 90 p 3*

["Evening Talk" column by Yang Chu (5017 2612):  
"Bush Is Now Free To Act"]

#### **[Text] A Definite Answer**

Achievements were scored by the U.S.-Soviet summit, because at least there were definite answers to two questions that people are paying great attention to.

The first is: Will the U.S. troops remain there after the Persian Gulf crisis?

#### **The U.S. Troops Will Not Remain There**

Bush said: No!

He said he had assured Gorbachev that after the crisis is over, the U.S. troops will withdraw as soon as possible.

Earlier, some U.S. officials, including Secretary of State Baker, said that the U.S. troops were ready to stay there for, perhaps, one or two years.

No U.S. troops will remain there. This means that the United States will not practice military hegemony in the Persian Gulf, although it may not be true.

#### **Soviet Military Withdrawal**

The second question is: Will the Soviet military advisers withdraw from Iraq?

The Soviet Union now says they will go and are going.

The number of military advisers there has also been made clear. It is about 200, not 1,000 as stated by the United States earlier.

After the Iraqi invasion of Kuwait on 2 August, the Soviet military advisers did not withdraw. Even after the

U.S. troops were dispatched to Saudi Arabia, they did not withdraw either. But now, one month later, they have withdrawn [as published].

#### **The Meaning of the Withdrawal**

The withdrawal means: Do you Americans want to fight Saddam? Just go ahead! Do not worry about us. Our men have all gone.

Still, Gorbachev has not said he is in favor of solving the Gulf crisis by force. But he and Bush issued a joint declaration, which said: "If the current measures are still unable to put an end to the Iraqi invasion, we will consider taking further actions."

What are the further actions?

Bush said a military attack cannot be ruled out.

How about Gorbachev? Some observers said he will consent to military actions taken with the approval of the United Nations.

#### **Harmonious Cooperation**

Egyptian President Mubarak said earlier that if great differences occurred in the U.S.-Soviet summit, there would be great disaster. He meant confrontation between the two superpowers in the Gulf area. Now his misgivings are dispelled. There is only harmonious cooperation between the United States and the Soviet Union. There is no sharp confrontation between them.

The only person who cannot sleep well is Saddam Husayn. We cannot be sure when he will suddenly be killed.

#### **'Dilemma' Over Iraq Participation in Asiad Noted**

*HK1009013590 Hong Kong HONGKONG STANDARD  
in English 10 Sep 90 pp 1, 12*

[Text] China did not oppose the Olympic Council of Asia [OCA] recommendation to ban Iraq from the Asian Games, apparently worried about a possible boycott of the event by other Middle East countries.

Informed sources in Beijing said the two Chinese representatives on the executive bureau had not voted against Saturday's recommendation to ban Iraq.

This was despite repeated Chinese Government appeals not to mix politics and sport.

An emergency meeting in Beijing on Saturday saw the OCA's executive bureau unanimously call on the its general assembly to bar Iraq on September 20—two days before the games open.

The executive bureau recommended Iraq's participation in the OCA be suspended "till normal conditions prevail for the functioning of the Olympic movement" in Kuwait.

Sources in Beijing said Middle East countries most hostile to Iraq in the wake of the Gulf crisis had threatened to boycott the Asian Games if Iraq competed.

"Beijing is facing a difficult dilemma of either having Iraq kicked out of the games or having several Middle East countries withdraw from the event," sources said.

Kuwaiti officials have been lobbying for the ban on Iraq, but some Asian sports officials have said politics should not be mixed with sports.

An earlier poll of the OCA indicated nine member countries, most of them Arab, supported the ban.

"Apparently the Chinese Government wants to ensure that none of the Middle East countries will withdraw from the Games although it must give up its desire to have the first-ever full participation of all the 38 OCA members in the event," the source said.

Chinese Olympic Committee Secretary-General Wei Jizhong last night told THE HONGKONG STANDARD China's Government had not changed its stance on calling for a separation between politics and sports.

Mr. Wei, a member of the OCA's executive bureau the director-general of the liaison department of the Beijing Asian Games organising committee, refused to say whether he spoke against the ban during Saturday's discussion.

"In fact, the executive bureau's recommendation is not final," he said.

"The Asian Games organising committee will not consider the question of Iraq's withdrawal until a final resolution is attained on September 20."

Mr. Wei reiterated that China followed a line of the separation between politics and sport.

China refused to participate in the 1956 Melbourne Olympics because Taiwan was attending and boycotted the Olympic Games in Moscow to protest against the Soviet invasion of Afghanistan in 1980.

#### Council Postpones Vote

OW0909074890 Beijing XINHUA in English  
0725 GMT 9 Sep 90

[Text] Beijing, September 9 (XINHUA)—The Executive Committee of the Olympic Council of Asia (OCA) decided Saturday night that the issue of whether to bar Iraq from the 11th Asian Games will be decided at OCA General Assembly on September 20.

This was made at the Executive Committee meeting held here on September 8.

C.L. Mehta, secretary-general of the Olympic Council of Asia (OCA), said at the executive meeting that the members of OCA were polled recently by mail to seek their opinion on Iraq's participation in the games.

He stressed that it was not a mail vote, but to solicit opinions.

It was agreed at the meeting that according to the Constitution of OCA, the Executive Committee has no right to make the final decision on such an important issue like this and it should be decided by the General Assembly of the OCA.

During the meeting, He Zhenliang, president of the Chinese Olympic Committee and executive vice president of the Games Organizing Committee reported to the meeting on the final preparation for the 11th Asian Games scheduled to be open on September 22.

He said everything is ready to receive the sports delegations from Asian countries and regions.

#### Differences in Arab World on Gulf Crisis Noted

OW0909113590 Beijing XINHUA Domestic Service  
in Chinese 0506 GMT 9 Sep 90

["Roundup: Mideast Crisis Has Shaken the Arab World By XINHUA reporter Xu Boyuan (6079 0590 3220)"—XINHUA headline]

[Text] Beijing, 9 Sep (XINHUA)—The Iraqi invasion of Kuwait, a small and weak neighboring country, on 2 August and the U.S. military deployment in the Gulf area have sent shock waves throughout the Arab world. There are varied, similar, as well as identical stands on these matters among the Arab countries. The majority of them want a political settlement to the Gulf crisis through negotiations instead of resorting to force. They also believe that any disputes between Arab countries should first be tackled and solved within the Arab community.

However, the Arab countries also differ sharply, mainly on the following two issues—should Iraq withdraw its troops unconditionally and should troops from the United States and other Western countries be sent to the Gulf? Their differences are further complicated when the two issues are intertwined.

Several Arab countries have been actively mediating and seeking ways to settle the dispute peacefully. Egyptian President Husni Mubarak has been travelling around, calling for solving the dispute within the Arab community. He has refused to send troops to join the Western multinational force led by the United States. Instead, he has been hard at work to form and send an Arab multinational force to Saudi Arabia. He insists that Iraq should, without preconditions, pull out of Kuwait, restore the legitimate government headed by Amir Jabir al-Sabah, and then negotiate a settlement to their dispute. He has indicated that he will be the first to ask the Americans to leave Saudi Arabia if Iraqi troops withdraw. At the Arab League foreign ministerial meeting held 30-31 August, the 12 countries led by Egypt, Saudi Arabia, and Syria passed a resolution calling on Iraq to



pull out its troops unconditionally and compensate Kuwait for its economic losses.

Libya and the PLO, on the other hand, cannot accept the stationing of U.S. troops in Saudi Arabia and U.S. interference in the internal affairs of the Arab community. They are therefore sympathetic to Iraq. They suggest that Western multinational forces and Iraqi troops withdraw simultaneously and that the dispute between Iraq and Kuwait be solved within the Arab community. Their solution calls for Kuwait to cede part of its territory, pay indemnities, and let its people elect the future government. Jordan's King Husyan, in an awkward predicament, has been trying to patch up the dispute and reconcile Iraq and Kuwait. He has been shuttling back and forth, trying to mitigate the situation. Sudan, Yemen, and some North African countries such as Algeria, Tunisia, and Mauritania, also oppose the involvement of foreign troops and, to varied degrees, are sympathetic to and express support for Iraq.

The differences among the Arab countries today are the most serious since 1945. Some Arab people are afraid that the situation, if left unchecked, might lead to a breakup of the Arab League, which would have a profound impact on the future political structure of the Middle East. However, people also hope that Arab countries that belonged to the same Arab empire 1,300 years ago and have always called each other brothers will try to seek a common ground, while preserving their differences and cooperating with other forces in the international community that uphold justice to seek a peaceful resolution of the Gulf crisis.

### Foreign Ministry Views North, South Talks

SK1009091990 Beijing International Service  
in Korean 1100 GMT 7 Sep 90

[Text] While answering questions raised by reporters during yesterday's news briefing in Beijing, our country's foreign ministry spokesman said that China welcomes the North-South Korean premier talks. The spokesman stated as much in a question raised by reporters on the North-South premier talks of the authorities concerned.

The spokesman said that the holding of the first North-South premier talks after Korea's division 45 years ago, is an important event in developing the reunification of Korea. The spokesman also expressed the hope that the talks will yield positive results so as to be advantageous in the stability and relaxation of tension on the Korean peninsula as well as the peaceful reunification of Korea.

While answering questions raised by reporters on the Gulf situation, the spokesman said that China views the most pending matter at this time to be the sincere fulfillment of the five relative resolutions adopted by the UN Security Council.

The spokesman said that China hopes that Iraq will recognize these resolutions; accept the arbitration of the Arab League and the demands of the international social

circles; withdraw all its troops from Kuwait at once, unconditionally; restore Kuwait's sovereign rights, independence, and territorial integrity; and restore peace and security in this region as soon as possible.

In a question raised by reporters on whether China was worried over the stationing of U.S. troops in the Gulf region well past the intended time, the spokesman said that China not only opposes military intervention by other countries but also generally opposes countries that station their troops in other countries.

### Editorial on Breakthrough in China's Diplomacy

HK0809044490 Hong Kong WEN WEI PO in Chinese  
8 Sep 90 p 2

[Editorial: "Breakthrough in China's Diplomacy"]

[Text] Since this year, China's diplomacy has been very active, scoring a series of eye-catching results.

First, state leaders have frequently visited other countries. In late-May, President Yang Shangkun visited five Latin American countries. Li Peng, premier of the State Council, visited the Soviet Union in April and the three Southeast Asian countries in August.

Second, resumption of diplomatic ties with Indonesia, and establishment of diplomatic relations with Saudi Arabia.

Third, at present, in the extremely complicated crisis in the Gulf, China is playing a constructive role.

The visits to foreign countries by state leaders amid "sanctions" against China imposed by the Western countries have very special meaning. The Third World countries, which received China's leaders, did not handle their relations with China according to the strategic interests and values of the West. Li Peng's successful trip to the Soviet Union has enabled Sino-Soviet relations to improve further. This indicates that China has not been isolated, and that it has acquired more space for maneuver in the international arena.

Indonesia has restored ties, and Saudi Arabia has established ties with China. It is noteworthy that these two Islamic countries are respectively, the most populous country in the OPEC and the world's largest oil exporter. In view of the fact that China itself is also an oil-exporting country, while oil is an important factor in today's international politics and economy, the development of relations between China and Indonesia, and between China and Saudi Arabia, has an extraordinary meaning.

Li Peng's visit to Indonesia signifies the normalization of relations, and this is not only a big event in bilateral relations, but is also helpful to stability and peace in Southeast Asia. The correct and staunch stand of China and ASEAN on a political settlement to the Cambodian problem, has promoted the process of the political settlement to the problem.

The crisis in the Middle East, which was triggered by Iraq's invasion of Kuwait, and by the deployment of a great number of U.S. troops in the Persian Gulf, is still unresolved. China, as one of the five permanent members of the UN Security Council, in this crisis has played the constructive role in staunchly opposing the invasion, trying hard to stop the use of force, and preventing the crisis from escalating.

China has made clear its stance on the crisis in the Gulf: China resolutely condemns and opposes Iraq's invasion and annexation of Kuwait; objects to military intervention in the Gulf by big powers; advocates a solution of the dispute through peace talks; and hopes that the crisis can be reasonably settled by UN efforts and within the sphere of the Arab world. This stance has upheld international law, international practice, and objection to aggression, while also preventing polarization of the events in the Gulf, and this is beneficial to easing of the crisis, and to the overall situation of peace and development; so it is in accordance with the interests of various sides. This attitude has been gradually realized and praised by world public opinion.

China suggested the dropping of the wording "minimum force can be used" in the draft of the mandatory embargo passed by the UN Security Council, this is because when two armies meet and exchange fire, they cannot talk about a so-called minimum. Therefore, this effort by China is to prevent the possibility of opening fire under the name of the United Nations, and has played a positive function in avoiding intensification of the recent crisis in the Gulf.

China has good relations with various countries in the Gulf; its economic and trade relations with the region have become close, but China refrained from posing itself as a big or strong power, nor has it engaged in hegemony in the region, therefore, various countries in the Gulf are willing to have good relations with China. In the crisis, they are trying their best to help evacuate Chinese, including Hong Kong and Taiwan compatriots.

Last week, the Soviet foreign minister met the Chinese foreign minister in Harbin, and both sides thought that the Gulf problem should be settled peacefully, and that military confrontation leading to deterioration of the situation should be avoided. China and the Soviet Union are two big countries which account for two-fifths of the Security Council, and are geographically near to the Middle East; the attitude of these two countries cannot be ignored by various sides involved in the Gulf crisis, and this exerts strong influence on preventing war from breaking out. As for the issue of political settlement to the Cambodian problem, both sides reached an unanimous stand, which is helpful to urging various sides involved in the conflict to act according to the plan consented by the five permanent members of the UN Security Council, and China's influence on solving the Cambodian problem has greatly increased.

At a time when the international climate is rapidly changing, the reason why China can make great achievements in diplomacy is because: First China is a big and the most populous country in the world, and with its own stable political and economic situation, socialist China has once again revealed its importance in contemporary international affairs; second, China upholds the diplomatic line of independence and self-determination, the five principles of peaceful coexistence as the basis for foreign interaction; third, the Chinese Government, facing a complicated and dangerous situation, integrates itself with the world's tendency for peace and development, formulating China's diplomatic policy. The reason why China's suggestions are supported by various countries, is because they are beneficial to resolving disputes peacefully, and are in accordance with the interests and wishes of various countries which want to develop the economy, therefore, eventually, China has made friends and improved its diplomatic influence. The achievements in the diplomatic front will further enhance stabilization of China's political and economic situation, and inspire the people as well.

## United States & Canada

### Reportage on Good-Will Visit by Henry Kissinger

#### Gulf Crisis Discussed

OW0809140790 Beijing XINHUA in English  
1338 GMT 8 Sep 90

[Text] Beijing, September 8 (XINHUA)—Chinese Premier Li Peng discussed the Gulf crisis and Sino-U.S. relations with former U.S. Secretary of State Henry Kissinger here today.

The Chinese premier had a 75-minute meeting this evening with Kissinger, who is here on a good-will visit as a guest of the Chinese Foreign Ministry.

Both Li and Kissinger expressed their satisfaction at the outcome of the meeting, their fourth, which proceeded in a "friendly, light and sincere atmosphere," according to a Chinese Foreign Ministry official.

During the meeting at the Diaoyutai State Guesthouse, Li and Kissinger had a "wide-range and in-depth exchange of views on the current Gulf crisis, other major international issues of common concern and Sino-U.S. relations," the official said.

Li also briefed Kissinger on China's economic situation and policies.

After the meeting Li and his wife, Zhu Lin, gave a banquet for Kissinger and his wife, Nancy.

### Sino-U.S. Relations Viewed

HK1009060690 Beijing RENMIN RIBAO OVERSEAS  
EDITION in Chinese 8 Sep 90 p 1

[Text] Beijing, 7 September (RENMIN RIBAO)—According to reporter He Chongyuan [0149 1504 0337], State Council Vice Premier Wu Xueqian met former U.S. Secretary of State Dr. Henry Kissinger at Diaoyutai's State Guest House this evening and gave a welcome banquet for him and his wife. They had a friendly, frank, and sincere conversation.

Wu extended a welcome to Kissinger, saying that every time Kissinger visits China, he contributes to the promotion of Sino-U.S. relations. "We believe," Wu said, "this Beijing visit by Dr. Kissinger is bound to achieve positive results."

The Chinese Government always attaches importance to Sino-U.S. relations and still believes that there exist extensive common interests between the two countries, Wu said.

China has made great efforts for the restoration and improvement of bilateral relations, he said.

"We hope that the two sides will make joint efforts and the U.S. side will take bigger and quicker steps, and concrete measures, to speed up the process of resuming relations between the two countries," Wu said.

Through the current visit, the vice-premier added, Kissinger will see that China's political and economic situations are stable. The Chinese people will go ahead along the road they have chosen, he said.

Kissinger said that he had returned to China as an old friend of China. He stressed the importance he attaches to Sino-U.S. relations and the constructive role those relations can play in promoting world peace.

In this regard, he stressed U.S. appreciation for the constructive role China has played in the current Middle East situation.

Kissinger said he welcomes the opportunity this visit gives him for exchanging views with Chinese officials. In that spirit, he took note of the fact that U.S.-China relations have gone through difficult periods. He said he recognized that recently positive steps have been taken by both countries. He expressed the hope that relations would continue on a better path.

Kissinger said that each side has deep convictions about its political and social systems. He thanked the Chinese for their warm hospitality and said he anticipated frank and friendly talks during his visit.

Kissinger arrived here this afternoon for a goodwill visit as a guest of the Chinese Foreign Ministry.

### More on Bilateral Relations

HK1009071790 Beijing RENMIN RIBAO OVERSEAS  
EDITION in Chinese 10 Sep p1

[Text] Beijing, 9 September (RENMIN RIBAO)—Chinese Communist Party General Secretary Jiang Zemin today told former U.S. Secretary of State Henry Kissinger that China hopes for an early restoration of Sino-U.S. relations through joint efforts on both sides.

Jiang had an 80-minute meeting at noon at Zhongnanhai today with Kissinger, an old friend of the Chinese people.

Jiang and Kissinger had "an in-depth conversation on major issues of mutual concern, in a cordial, friendly and frank atmosphere."

Jiang, noting that Kissinger is currently on his 18th visit to China, said "we warmly welcome you, and we regard you as a good friend of China and a far-sighted statesman."

China still highly cherishes Sino-U.S. relations, Jiang said. "We hope that the normal relations between China and the United States will be restored as soon as possible through the joint efforts of both sides."

"This conforms with the fundamental interests of China and the United States," he added.

Kissinger thanked his hosts for their hospitality. He said that a quick restoration and development of U.S.-China relations is in keeping with the interests of the two countries, and this is not a matter of granting favors.

U.S.-China relations are important in the present international situation, Kissinger said. He described the purpose of his visit to China as promoting the restoration and development of U.S.-China relations.

The improvement of U.S.-China relations should be based on mutual respect for the traditional values on each side, Kissinger said.

Present at the meeting were Huang Hua, Standing Committee member of the Central Advisory Commission of the Chinese Communist Party, Mayor of Shanghai Zhu Rongji, Vice Minister of Foreign Affairs Liu Huaqiu, and Mr. Paul Bremer III, who is accompanying Kissinger on his visit.

After the meeting, Jiang hosted a luncheon for Kissinger, who is scheduled to leave China by plane this afternoon.

### Meets With Yang Shangkun

OW0909074590 Beijing XINHUA in English  
0711 GMT 9 Sep 90

[Text] Beijing, September 9 (XINHUA)—Chinese President Yang Shangkun met here today with former U.S. Secretary of State Henry Kissinger, who is here on a good-will visit.



During the meeting, Yang and Kissinger exchanged views on "a series of major issues of mutual concern in a friendly and sincere atmosphere," according to a Chinese Foreign Ministry official.

Yang, noting that Kissinger is on his 18th visit to this country, said "we warmly welcome you."

Kissinger said it is always a pleasure to meet his Chinese old friends.

Chinese Vice Minister of Foreign Affairs Liu Huaqiu was present on the occasion.

#### **Meets With Li Ruihuan**

*OW0809085890 Beijing XINHUA in English  
0818 GMT 8 Sep 90*

[Text] Beijing, September 8 (XINHUA)—Li Ruihuan, member of the Standing Committee of the Political Bureau of the Chinese Communist Party Central Committee, met with former U.S. Secretary of State Henry Kissinger here this afternoon.

They had a "friendly, sincere conversation" as described by a Chinese Foreign Ministry official.

Kissinger is here on a good-will visit as guest of the Chinese Foreign Ministry.

#### **Huang Hua Meets Kissinger**

*OW0809020090 Beijing XINHUA in English  
0120 GMT 8 Sep 90*

[Text] Beijing, September 8 (XINHUA)—Huang Hua, Standing Committee member of the Central Advisory Commission of the Chinese Communist Party, met Henry Kissinger and had breakfast with him and his wife here this morning.

#### **Rong Yiren Hosts Luncheon**

*OW0809084290 Beijing XINHUA in English  
0814 GMT 8 Sep 90*

[Text] Beijing, September 8 (XINHUA)—Rong Yiren, vice-chairman of the National People's Congress Standing Committee, met here today with his old friend and former U.S. Secretary of State Henry Kissinger.

The meeting was followed by a luncheon hosted by Rong at his residence in honor of Kissinger and his wife.

Kissinger and his entourage arrived here yesterday as guests of the Chinese Foreign Ministry.

#### **Xinjiang Governor Meets U.S. Ambassador**

*OW0709094290 Urumqi Xinjiang Television Network  
in Mandarin 1300 GMT 6 Sep 90*

[From the "Xinjiang News" program]

[Text] [video begins with a long shot showing Ambassador Lilley shaking hands with an unidentified Xinjiang

leader while Tomor Dawamat, standing by his side, is looking on. Video then cuts to a close-up shot showing Ambassador Lilley and Tomor Dawamat, seated in an armchair in a meeting room, engaging in a conversation] Tomor Dawamat, chairman of the autonomous region, met with visiting U.S. Ambassador James Lilley at the People's Hall this morning. Ambassador Lilley and four other members of his group arrived in our region on 1 September. They have visited Urumqi, Karamay, and Turpan.

After extending a welcome to the American guests, Chairman Tomor Dawamat briefed them on Xinjiang's resources and petroleum development.

Speaking in fluent Chinese, Ambassador Lilley told Chairman Tomor Dawamat about his impressions of his visit to Xinjiang. He said that there are great prospects for the development of Xinjiang's petroleum industry. He indicated willingness to further expand cooperation in petroleum prospecting and development, as well as in other fields, between the United States and Xinjiang.

During his stay in our region, Ambassador Lilley will also visit Kashi and other areas.

#### **Soviet Union**

##### **Shevardnadze, Qian Meeting Reviewed**

*OW0709101090 Beijing in Russian to the USSR  
1900 GMT 2 Sep 90*

[Text] In agreement with the understanding achieved by both sides, on 1 September 1990 in the city of Harbin, PRC, a meeting was held between Qian Qichen, PRC foreign minister, and Eduard Shevardnadze, USSR foreign minister. In Harbin, the Soviet foreign minister also met with Shao Qihui, governor of Heilongjiang Province, and Zhou Wenhua, deputy secretary of the Heilongjiang Provincial Committee of the Chinese Communist Party. The Heilongjiang Provincial Committee of the Chinese Communist Party and the provincial government held a banquet in honor of the Soviet guests.

Shevardnadze placed a wreath at the memorial to Soviet soldiers who died in northeastern China.

The meeting between the PRC and Soviet foreign ministers is a part of the deepening dialogue between China and the Soviet Union on the most important current international problems. Both sides analyzed the situation in the Gulf and exchanged opinions on the Asia-Pacific, Cambodian, and Afghan questions; the situation in the Korean peninsula and in Europe; and the unification of Germany. They also discussed PRC-USSR bilateral relations.

The PRC and Soviet ministers expressed deep concern over the current situation in the Gulf. They noted that the crisis in the Gulf not only seriously threatens peace and stability in the region, but that it also exerts strong pressure on the stability of the entire world situation as

a whole. The sides emphasized that Iraqi troops must immediately, unconditionally, and completely withdraw from Kuwait. The sovereignty, independence, and territorial integrity of Kuwait must be restored. The safety and freedom of foreign citizens in Iraq and Kuwait must be ensured.

The sides support a political solution to the crisis in the Gulf by peaceful means and on the basis of strict and serious fulfillment of the pertinent resolutions of the UN Security Council. The Chinese and Soviet Governments call on all countries to exhibit restraint in the avoidance of the use of force and to abstain from actions which would lead to further escalation of the tense situation.

The ministers noted that China and the Soviet Union, as permanent members of the UN Security Council, have a great responsibility for the preservation of peace on earth. The sides will continue consultations and cooperation, applying their efforts for the quickest restoration of peace and stability in the Gulf.

During the discussion of the situation in the Asia-Pacific region, the sides noted that the role of the Asia-Pacific region in world politics and in the world economy has risen significantly. The sides express support for the idea that all states in the region must strengthen coordination in the solution of regional questions and in increasing political and economic cooperation.

The sides agreed to conduct continuous consultations on Asia-Pacific regional questions and in particular to promote the solution to current conflicts in Asia.

Both sides discussed the Cambodian question. The foreign ministers of both countries unanimously agree that the solution of the Cambodia question is now at a decisive stage. Both sides expressed satisfaction at the working out by the five permanent members of the UN Security Council of five important documents for political normalization of the Cambodia problem.

Both sides expressed the hope that all sides in Cambodia, on the basis of the aforementioned documents, will reach an agreement quickly on political normalization and create an All-Cambodian Higher Committee, in which representatives from all sides in Cambodia will take part in order to create conditions for conducting general elections in the near future.

Both sides would welcome the election of Samdech Norodom Sihanouk as chairman of the All-Cambodian Higher Committee. The sides again emphasized that they would continue to make efforts for a comprehensive, just, and reasonable solution to the Cambodian problem.

Both sides support the idea that within the framework of a comprehensive political normalization of the Cambodia question, all sides in Cambodia would observe a cease-fire. The Chinese and Soviet sides would halt military assistance to the sides in Cambodia and would call on other interested states to do likewise.

Both sides are interested in improving and stabilizing the situation on the Korean peninsula. They think that without a solution to the situation on the Korean peninsula, there cannot be real security and stability in North-east Asia. A dialogue between North and South Korea is essential to alleviating the tense situation. In connection with this, both sides expressed the hope that positive results would be reached during the upcoming meeting of the prime ministers of North and South Korea.

Both sides discussed the situation in Afghanistan and the prospects for national reconciliation and for a secure peace in that country. They expressed the wish that Afghanistan would become an independent, peaceful, neutral, and nonaligned state.

The Soviet side briefed the Chinese side on recent Soviet-U.S. summit level contacts.

Both sides touched upon the situation in Europe and the question of German unification. Both sides expressed the hope that German unification would benefit not only the two Germanys and their peoples, but also peace, stability, and the development of Europe and the entire world.

The foreign ministers of both countries expressed deep satisfaction with the rapid development of Sino-Soviet relations in all spheres. Both sides expressed readiness to continue making joint efforts in the fulfillment of agreements achieved during the Sino-Soviet summit which took place last year and to develop good-neighborly relations and friendship between the two countries on the basis of the joint Sino-Soviet communique issued on 18 May 1989.

Both ministers consider that progress has been achieved in Sino-Soviet border talks. They unanimously called for an acceleration of the discussions so that the question of the Sino-Soviet border can be solved more quickly in a just and rational manner.

Both sides agreed that the next meeting of the working group of the delegations to the talks on the question of the Sino-Soviet border will be held in Beijing at the end of October. The sides also agreed that on 10 September the next round of talks on the mutual reduction of armed forces and strengthening trust in the military sphere on the Sino-Soviet border would begin in Moscow. The sides hope that the talks will achieve progress, considering that these talks have great significance for the strengthening of bilateral relations and increasing mutual trust.

The foreign ministers of the two countries agreed that as soon as possible a Chinese Consulate General would be established in Khabarovsk and a Soviet Consulate General in Shenyang. Soviet Foreign Minister Eduard Shevardnadze again affirmed the invitation of the Chinese foreign minister to visit the USSR on an official visit. Minister Qian Qichen gratefully accepted the invitation. The dates of the visit will be determined via diplomatic channels.

The talks between the two foreign ministers took place in a warm and friendly atmosphere.

### **Soviet Foreign Minister Satisfied With Visit**

*OW0809011390 Beijing XINHUA in English  
0100 GMT 8 Sep 90*

[Text] Moscow, September 7 (XINHUA)—The Sino-Soviet relations have been enhanced to such a level that further normalization talks may become unnecessary for either side, said Soviet Foreign Minister Eduard Shevardnadze here today.

Upon his return from his visit to China, the Democratic People's Republic of Korea and Japan, the Soviet foreign minister told Chinese charge d'affaires ad interim Zhang Zhen at the airport that he and his Chinese counterpart Qian Qichen held talks in Harbin, which touched upon both the international situation and bilateral relations, in a very good atmosphere.

What is to be done next, he continued, is to steadily develop a comrade-style good neighborly ties on the basis of equality.

Shevardnadze began his eight-day Asian tour on August 31, when he arrived in China's northeastern city of Harbin on the first leg of the tour.

### **Jilin's Port To Open to Soviet Union**

*HK1009115990 Beijing CEI Database in English  
10 Sep 90*

[Text] Changchun (CEI)—Hunchun Port, Jilin Province's first trading port on the Sino-Soviet border, opens Monday.

Hunchun, located in the eastern-most part of the province, is the only Chinese city bordering both the Soviet Union and Korea.

An official from the provincial government said that 14-kilometer-long highway linking Hunchun and bordering Changlinzi area is now open to traffic.

China and the Soviet Union have also shown great interest in connecting transborder railways with an agreement signed for feasibility studies.

At home, nearly 100 enterprises have invested in Hunchun. And the province itself has designated the city as an economic development area.

## **Northeast Asia**

### **Sino-Japanese Relations Discussed**

*OW0709095090 Beijing XINHUA Domestic Service  
in Chinese 0747 GMT 6 Sep 90*

["Jointly Scale the Peak of Friendship—on the Meeting of Nongovernmental People From China and Japan"—XINHUA headline]

[Text] 5 Sep, Tokyo (XINHUA)—"Notwithstanding the windstorms, rainstorms, and other impediments we have encountered on our way, and notwithstanding the landslides we have sometimes run into in our joint effort to scale the huge mountain of Japanese-Chinese friendship, we have always aimed for the peak—an action that nobody has ever objected to," said Mr. Hideo Den, an influential Japanese politician and a member of Japan's House of Councillors who is affiliated with the Socialist Democratic Federation, at the first group discussion of the fifth meeting of nongovernmental people from China and Japan. His words, coming from the bottom of his heart, embody the wishes of people who have worked to promote Sino-Japanese friendship.

In the past two days, nongovernmental representatives from China and Japan to the meeting have held spirited discussions on the history, status quo, and prospect of Sino-Japanese friendship, as well as world peace, Asia's situation, and technological cooperation and cultural exchanges between China and Japan.

Mr. Masayoshi Ito, a Japanese delegate to the meeting and president of the Japanese Dietmen's League for Japan-China Friendship, made the following well-founded remark: "Japan and China have established a friendship on the basis of treating each other with genuine sincerity and offering each other unpleasant-sounding good advice." He firmly believes that such a friendship can stand the test of time. While delivering a keynote speech on behalf of the Japanese delegation at the opening session on 3 September, the 77-year-old Mr. Ito became physically exhausted from speaking too long while standing, and he began to tremble and grow dizzy halfway through his speech. Instead of stopping completely, he took some rest and continued to finish his speech. In conclusion, the elderly man said clearly: I believe that Japanese-Chinese relations will experience more setbacks. However, if we keep in mind the late Premier Zhou Enlai's teaching that advises "seeking common ground on major issues while reserving differences on minor ones," we certainly will be able to overcome difficulties and continue to develop our relations. The remark profoundly moved other participants at the meeting.

Speaking at the group discussion, Mr. Sadakazu Tanigaki, an LDP [Liberal Democrat Party] member of Japan's House of Councillors, stated that the "coldness" in Sino-Japanese relations is only a temporary phenomenon. He called for taking the broader significance of Japanese-Chinese friendship into consideration, saying that the friendship has a bearing on peace and stability in Asia and in other parts of the world. He also suggested that Japan and China explore ways in which they could work for the settlement of international issues.

Mr. Sun Pinghua, president of the China-Japan Friendship Association who has made long-term efforts to promote Sino-Japanese friendship, said: As a basic national policy formulated during the era of Chairman Mao Zedong and Premier Zhou Enlai, the effort to



develop Sino-Japanese relations has remained unchanged to this date, and will remain so in the future. He continued: China and Japan are important countries in the Asia-Pacific region with substantial responsibilities for international affairs. Accordingly, the state of their relations can affect the situation in the Asia-Pacific region and in other parts of the world. He expressed the hope that the two countries will foster long-term, good-neighborly relations of friendship and cooperation on the basis of the five principles of peaceful coexistence.

The meeting, conducted in a warm atmosphere, was fruitful, because its participants discussed many issues in Sino-Japanese relations that needed to be settled promptly, and offered numerous positive opinions. Non-governmental people from the two countries gathered at the meeting to review their friendship and assess future prospects as part of their joint effort to scale the peak of Sino-Japanese friendship.

#### **Commentary Endorses North, South Korean Talks**

*OW0909053390 Beijing International Service  
in Mandarin 0900 GMT 8 Sep 90*

[Station reporter's commentary: "A Talk Conducive to the Relaxation of Situation and Stability in the Korean Peninsula"]

[Text] High-level talks between the premiers of North and South Korea took place in Seoul 5 to 6 September.

The talks were an important event for ending the national division and achieving reunification in Korea. All the Korean people were greatly interested in the talks and had high hopes for it. Meanwhile, it also evoked widespread attention from the world media.

During the talks, the premiers of the two sides expounded their fundamental stands toward the issues for ending the two sides' political and military confrontation and promoting exchange and cooperation in various sectors. They also put forward plans for achieving these objectives.

Although the talks did not achieve any result owing to the two sides' disagreements on major issues, the two sides seriously considered each other's position and plans. The two sides also agreed to send representatives to Panmunjom a week later to continue the discussion of joining the United Nations.

The talks between the premiers of North and South Korea kept pace with the time. It was in line with the interests and aspirations of all the Korean people. It was conducive to the easing of tension on the Korean peninsula and its stability as well as to the peaceful reunification of Korea.

The Korean peninsula has been divided into two for decades. The Korean people have suffered immensely from the separation of flesh and blood. North and South

Koreas have also gradually come to understand, as a result of their protracted confrontations, that dialogue is better than confrontations.

For years, President Kim Il-song and the Korean party and people have made unremitting efforts in their struggles to ease the tension on the Korean peninsula and achieve their fatherland's independence and peaceful reunification. They have put forward many rational proposals, such as the establishment of a Democratic Federal Republic of Korea.

The Korean people's voices demanding reunification of their fatherland have never been higher. During the pan-national conference held at the Unification Pavilion on the northern side of Panmunjom not long ago, the representatives of North and South Korea and Korean countrymen from abroad made a strong demand for the peaceful reunification of their fatherland. During the meeting, the ruling Liberal Democratic Party of South Korea and the nonruling Popular Party and Democratic Party [names of parties as heard] pledged their support. This shows that the demand for independent and peaceful reunification of the fatherland has become the common national aspiration of all the Korean people and that historical tides cannot be stopped.

Although the just-concluded meeting has yet to achieve any major progress, the views and proposals put forward by the two sides show they have similarities as well as differences. This has provided a basis for progress in future talks.

Peace and stability on the Korean peninsula will have a great impact on the development in Asia. People hope that the tension there will be eased. They hope the two sides will continue talking to talk to each other sincerely, understand each other, and accommodate each other so that Korea's peaceful reunification can be achieved at an early date.

#### **Beijing Ceremony Marks DPRK National Day**

*OW0709114990 Beijing XINHUA in English  
1116 GMT 7 Sep 90*

[Text] Beijing, September 6 (XINHUA)—The Chinese People's Association for Friendship With Foreign Countries (CPAFFC) and the China-Korea Friendship Association jointly held a reception here this evening to mark the 42d anniversary of the founding of the Democratic People's Republic of Korea (DPRK).

Among the guests attending the reception were Han Xu, president of the CPAFFC, and Pae Yong-jae, minister of the DPRK Embassy in Beijing.

## Southeast Asia & Pacific

### Editorial Views Vietnam's Stand on Cambodia

HK1009044490 Hong Kong WEN WEI PO in Chinese  
10 Sep 90 p 2

[Editorial: "Can Vietnam Take Advantage of This Good Opportunity?"]

[Text] The Jakarta meeting on finding a peaceful solution to the Cambodian issue started yesterday. Representatives from the four Cambodian sides attended the meeting. The main topic of the meeting was to discuss how to form a Sihanouk-led National Supreme Council [NSC] comprising the four Cambodian sides. If this problem can be resolved, a new period will come for the political settlement of the Cambodian issue. Subsequent to this, the four Cambodian factions will be required to reduce their armed forces and weapons.

This new development in the Cambodian situation is related to an agreement recently concluded by the five permanent member nations of the UN Security Council on the overall political settlement of the Cambodian issue. This agreement consists of three points: First, military arrangements for the transitional period; second, administration and management during the transitional period; and third, elections under UN supervision, apart from protecting human rights and Cambodia's territorial integrity. The "package" requires the four Cambodian sides to accept it as an "integral program." According to the document concluded by the five permanent member nations of the UN Security Council, the Jakarta quadripartite meeting is making preparations for the establishment of the NSC and the resumption of the Paris International Conference.

Supported by these five member nations, the United Nations will dispatch military personnel to inspect the withdrawal of Vietnamese troops and to supervise the four Cambodian sides in summoning their troops to a designated place, where they will surrender their arms for storing. The NSC based on an agreement reached by the four Cambodian sides will be the sole legitimate supreme organ of power in the entire Cambodia. UN nonmilitary personnel will assist Cambodia in administering and managing its five major departments during the transitional period. Cambodia will remain neutral and wait for an appropriate time to introduce a general election under UN supervision.

The three groups in Democratic Kampuchea expressed their support for this program after its announcement. But the Vietnamese Government and the Phnom Penh regime beat about the bush by asserting that the agreement of the five member nations of the UN Security Council was a "basic document" for future discussions, apart from expressing "reservation" for this agreement and insisting on "maintaining Cambodia's political and military status quo."

Vietnamese Foreign Minister Nguyen Co Thach said: "Summoning troops and disarming them is unacceptable." "The Supreme Council must not execute power." "Different political regimes in Cambodia should continue to exercise their powers."

Vietnam's attitude constitutes an obstacle to international efforts for a political settlement of the Cambodian situation. It still wishes to apply its "drag-on" tactic and preserve its interests in Cambodia since its invasion of the country. It is unwilling to disgorge what it has swallowed.

The Cambodian issue cannot be resolved by political means if the Phnom Penh regime and its military forces are retained. The UN Security Council's program is reasonable, because only when all political regimes in Cambodia are dissolved and their armed forces are reduced, will it be possible to end the civil war in Cambodia and bring about peace in the country.

Vietnam's wait-and-see attitude stemmed from its illusion about others' tolerance for its invasion of Cambodia. But Vietnam should draw a lesson from the UN Security Council's stern step against Iraq after its invasion of Kuwait: No invaders will get rewards; the longer the delay, the more disastrous the defeat.

The agreement reached by the UN Security Council's five permanent member nations has provided Vietnam a good opportunity to withdraw decently. If it withdraws its troops and stops obstructing the settlement of the Cambodian issue, it can return to the international community, restore its friendly relations with the neighboring countries, concentrate its efforts on economic construction and trade exchanges, and improve its international position. Its refusal of the UN Security Council's program will only lead itself to passivity.

Prior to the Jakarta meeting, China, the United States, and the Soviet Union held contacts with Vietnam on separate occasions. These three countries warned Vietnam of the consequences and urged it to accept the UN Security Council's program. Finding it hard to hold on any longer, Vietnam and the Phnom Penh regime are now beginning to change their tune. Prior to his presence at the meeting, Hun Sen indicated that there would be a major change in Phnom Penh's stand.

If this is true, Vietnam and the Phnom Penh regime will be able to get out of their passive position. But after listening to what they said, we have to see what they will do. People around the world are watching whether Hanoi will seize this good opportunity to undertake its unshirkable responsibility for a political settlement of the Cambodian issue.

### Shanghai Mayor Meets Australian Trade Delegation

OW0909025690 Shanghai City Service in Mandarin  
0900 GMT 7 Sep 90

[From the "News and Weather" program]

[Text] Shanghai Mayor Zhu Rongji had a cordial meeting with Dr. (Bruitus), head of the Negotiations Department under the Ministry for Foreign Affairs and Trade of Australia, and members of the Australian Government trade delegation headed by him, at the New Jinjiang Hotel this morning.

The visitors and the host had a sincere and friendly talk at the meeting.

Present at the meeting were Vice Mayors Huang Ju and Gu Chuanxun, and Australian Consul General (Macmurray) in Shanghai.

#### **Australia To Provide Development Assistance**

OW0709213790 Beijing XINHUA in English  
1441 GMT 7 Sep 90

[Text] Beijing, September 7 (XINHUA)—Australia will provide more than 37 million Australian dollars in development assistance to China in the Australian financial year 1990-1991, according to the Australian Embassy here.

In a speech at a symposium here today on Sino-Australian co-operation in agricultural projects sponsored by the Australian Trade Commission, Dr. Bernice Lee first secretary for technical co-operation at the embassy, said that the financial assistance will include approximately 16.5 million Australian dollars for technical co-operation activities, 2.50 Australian dollars for agricultural research projects conducted by the Australian Center for International Agricultural Research (ACIAR) and 14 million Australian dollars for a concessional finance facility.

Dr. Lee said that Australia provided a total of 37.81 million Australian dollars in development assistance to China in financial year 1989-1990.

All Australian development assistance to China, except the concessional finance facility, is provided under the umbrella of the technical co-operation agreement, an international treaty signed by the Governments of China and Australia in 1981 and amended in 1987.

Australian development assistance to China comprises technical co-operation activities, a subsidy program for Australian exporters involved in priority development projects in China, a subsidy for Chinese students studying in Australia, ACIAR projects and the market advisory program which promotes Chinese exports to Australia.

#### **Australia Investigates Agricultural Cooperation**

OW0809140490 Beijing XINHUA in English  
1354 GMT 8 Sep 90

[Text] Beijing, September 8 (XINHUA)—A visiting delegation from Agritech (Agricultural Technology) Australia Ltd is here to make an inspection of Beijing, Nanjing, Shijiazhuang, Jinan, Hefei and Shanghai cities to explore

methods for co-operation in agricultural technology between China and Australia.

The Australian mission comprises 60 members, most of whom are specialists in the field.

They will attempt to set up a three-sided relationship among China, the World Bank and Australia by combining loans from the World Bank with advanced Australian technology in order to promote the development of China's agriculture.

Don Cairns, commercial attache of Australian Trade Commission to China, said that China is one of the major importers of Australian agricultural products and is showing an increasing demand for Australian products, including beer, wool, sugar and wheat.

Moreover, in co-operation with Australia, China has been carrying out a series of agricultural development projects in Yunnan, Gansu, and Hubei Provinces, and Tianjin city.

According to the Australian delegation, there is a great potential for co-operation in agricultural technology between China and Australia as Australia can provide assistance and technology transfer to China in the fields of agricultural irrigation, production, product processing and livestock raising.

### **Near East & South Asia**

#### **Arms Firm Confirms Sales to Iraq Halted**

HK0909044690 Hong Kong WEN WEI PO in Chinese  
9 Sep 90 p 3

[Dispatch by WEN WEI PO reporter Shen Hung-fei (3088 1347 5481): "NORINCO, One of the World's 10 Biggest Arms Suppliers, Confirms That It Has Stopped Selling Arms to Iraq"]

[Text] Xiamen, 8 Sep (WEN WEI PO)—Yu Fuzeng, assistant general manager of the Xiamen branch of China North Industries Company [NORINCO], told the press here today that NORINCO had stopped selling arms to Iraq after the Persian Gulf crisis. He also denied a report that the company had sold guns to Taiwan's underworld. We are absolutely innocent, he said. NORINCO has always strictly abided by the regulations concerned in arms trade; by the way, as one of the world's 10 biggest arms suppliers, NORINCO will not possibly be interested in such inconsiderable transactions, he said.

The NORINCO Xiamen branch is the only subsidiary of NORINCO in Fujian Province. Since both the Taiwan and Hong Kong police have recently seized several batches of mainland-made "Black Star" and "Red Star" brand pistols owned by local underworld elements, the overseas press accused NORINCO of involvement in the sales of these weapons. Yu Fuzeng explained that NORINCO has already stopped producing the above



two types of pistols although it did produce them in the past. However, many plants in Mainland China are still producing these products. It is very likely that criminal elements in the mainland stole component parts from these plants, assembled them into pistols, and then sold them to Taiwan and Hong Kong criminals. Yu disclosed that some people from Taiwan did come to Xiamen to contact the NORINCO Xiamen branch for supply of arms, but all the requests were rejected. Yu said NORINCO always insists that every buyer produce appropriate purchase documents and permits issued by the Army, the Defense Ministry, and the Foreign Ministry before each arms transaction. He admitted that sometimes arms trade may involve a few rounds of very complicated resale. But NORINCO has always requested the buyer to clarify the end user of the arms, he confirmed.

Yu also pointed out that NORINCO began to switch from manufacture of military goods to manufacture of products for civil use long ago. In setting up its Xiamen branch, NORINCO intended to draw in investment from Taiwan and to explore the world market. The company last year established a garment factory in cooperation with Taiwan businessmen, and has been negotiating with Taiwan firms recently on two joint ventures in the light industry.

NORINCO's products have a considerable share in the current economic and trade fair. Yu also denied that NORINCO has sold any guns to any Hong Kong customers since the possession of guns is illegal in Hong Kong.

#### **Iraqi Deputy Premier Returns Home**

*OW0909010790 Beijing XINHUA in English  
2358 GMT 8 Sep 90*

[Text] Baghdad, September 8 (XINHUA)—Iraqi First Deputy Premier Taha Yasin Ramadan returned here today after a three-day visit to China where he met with Chinese Premier Li Peng and other officials.

The official IRAQI NEWS AGENCY quoted Ramadan as saying that during his visit he asserted to Chinese leaders that a key to the settlement of the Gulf crisis is the withdrawal of foreign forces from the region.

He said the Chinese premier told him that China opposes the use of force in solving the crisis and calls for peace-seeking efforts in order to avoid disasters of war.

Ramadan said he informed Chinese leaders of what has taken place in the Gulf region as well as Iraq's position toward it, referring to the Gulf crisis caused by Baghdad's invasion of Kuwait on August 2.

He said he also discussed with Chinese leaders bilateral relations during his stay in Beijing, adding that both sides expressed their willingness to continue contacts in order to achieve peace in the Gulf region.

#### **Li Peng Explains Position to Deputy Premier**

*OW0709153790 Beijing XINHUA in English  
1357 GMT 7 Sep 90*

[Text] Beijing, September 7 (XINHUA)—China is deeply worried about the turbulent Gulf situation and sincerely hopes that the Gulf crisis will be solved fairly as early as possible within the scope of the Arab nations and on the basis of relevant resolutions by the United Nations' Security Council (UNSC), Chinese Premier Li Peng said here today.

At a meeting with Iraqi First Deputy Prime Minister Taha Yasin Ramadan, Li said China holds that any negotiations should be conducted within the framework of the UNSC resolutions, according to a news briefing after the meeting.

Li said China hopes Iraq will respond to the mediation efforts by Arab countries and international appeals, support the mediation by the UN secretary general, withdraw its troops from Kuwait unconditionally as soon as possible and solve disputes through negotiations.

During the meeting, Ramadan briefed Li Peng on the current situation in the Gulf and Iraq's stand. Li Peng elaborated on China's principled position on the Gulf crisis.

Li said the Chinese Government always holds that relations among countries should be based on the five principles of peaceful coexistence, that every country's independence, sovereignty and territorial integrity should be fully respected and that countries should solve their disputes through peaceful, political ways instead of force.

He said it was proceeding from the above position and its concern for peace in the Gulf that China voted for the UNSC's resolutions. At the same time, China is against big powers' military involvement, which will further deteriorate and complicate the Gulf situation.

#### **Wu Xueqian Meets Israeli Communist Party Group**

*OW0809084090 Beijing XINHUA in English  
0741 GMT 8 Sep 90*

[Text] Beijing, September 8 (XINHUA)—Wu Xueqian, member of the Political Bureau of the Chinese Communist Party (CPC) Central Committee and vice-premier of the State Council, met with a three-member delegation from the Communist Party of Israel (CPI) led by David Khenin, member of the Political Bureau and member of the Secretariat of the CPI Central Committee, here this afternoon.

They exchanged views on developing relations of the two parties and international issues of common concern.

The delegation is here at the invitation of the CPC.



### **Pakistani President Previews Visit to Beijing**

OW0809150690 Beijing XINHUA in English  
1420 GMT 8 Sep 90

[Text] Islamabad, September 8 (XINHUA)—Pakistan President Ghulam Ishaq Khan said here today that his forthcoming visit to China would further strengthen the existing Pakistan-China friendship and cooperation.

He made these remarks when he met Chinese Ambassador to Pakistan Tian Ding at the presidency here.

He said that he has visited China several times, yet it would be his first formal visit to China as president of Pakistan. During his visit, he would exchange views with Chinese leaders on important international issues of mutual concern and further enhancement of Pakistan-China friendship and cooperation.

Ishaq is leaving here for China on September 20 and to take part in the inauguration of the 11th Asian Games to be held in Beijing from September 22 to October 7.

The Chinese ambassador told the president that Chinese leaders and people are looking forward to his formal visit and conveyed the cordial regards of President Yang Shangkun and Premier Li Peng to him. Ishaq expressed his gratitude to Chinese leaders and asked the ambassador to return his same regards to them.

## **West Europe**

### **PRC Foreign Minister Praises Turkey Visit**

OW0709142790 Beijing XINHUA in English  
1410 GMT 7 Sep 90

[By Zheng Jinfa]

[Text] Istanbul, September 7 (XINHUA)—Chinese Foreign Minister Qian Qichen today described his four-day official visit to Turkey as "a complete success."

Before his departure at Istanbul International Airport here, the minister told XINHUA that the main result of his visit—strengthening the mutual understanding and trust between the two sides—has been achieved.

Qian said that Turkey and China have many common grounds, and that the two countries are facing almost the same tasks.

During the talks in Ankara, both countries have expressed the desire to further develop bilateral cooperation and put forward proposals in this respect. "There are great potentialities for further promoting the complementary economic cooperation between our two countries," said the minister.

The Chinese foreign minister also said ways of further strengthening bilateral economic and trade relations will be discussed at a meeting of the joint Chinese-Turkish commission of economy, technology and trade to be held in Beijing in November.

The main issue we have discussed with Turkish officials was the Gulf crisis, said Qian, adding that "the current Gulf crisis has posed a grave threat to peace in the region and the world as a whole."

The minister also said that during the talks with Turkish officials both sides shared similar views on the Gulf crisis.

"The two sides consider Iraq's armed invasion and annexation of Kuwait unacceptable. Iraq should withdraw from Kuwait and the state of Kuwait should be restored," stressed the minister.

He said the two sides also agreed that the Gulf crisis should be solved through peaceful, diplomatic and political means.

"Turkey is one of the important countries in the region. It has common borders with Iraq, so we understand the measures that Turkey has taken," said the Chinese foreign minister.

Turkey, a NATO member, has put its airforce on the alert since the Gulf crisis started with the Iraqi invasion of Kuwait on August 2.

On Wednesday, the Turkish parliament empowered the government to send troops abroad and allow foreign troops to be stationed on Turkish soil.

During Qian's stay in Ankara he was received by Turkish President Turgut Ozal, Prime Minister Yildirim Akbulut and Parliament's Speaker Kaya Erdem and discussed the Gulf crisis with them.

## **More on Talks**

HK0709132990 Beijing RENMIN RIBAO in Chinese  
7 Sep 90 p 6

[Report by Zheng Jinfa (6774 6855 4099): "Chinese and Turkish Foreign Ministers Hold Second Round of Talks"]

[Text] Ankara, 4 Sep (XINHUA)—Chinese Foreign Minister Qian Qichen and Turkish Foreign Minister Ali Bozer this evening held the second round of talks, during which both sides exchanged their views on bilateral relations.

Foreign Minister Qian first briefed his guest on China's domestic situation. He said that at present, China enjoys both political and economic stability, with inflation lowered to six to seven percent and overheated economic development stabilized.

Qian Qichen said: "Since the 4 June incident last year, some countries have had certain misunderstandings about China, thinking that China's policy of reform and opening up has been changed. But this is not the fact. The people have benefited from this policy. We have no reason to change it. China is a large country with 1.1 billion in population. It is very important for it to

maintain stability. This is not only beneficial to China itself, but also to world peace."

Bozer said: "To China, which is a big country, stability is very important. Stability is not only very important to China, but also to the world. The Turkish Government attaches great importance to its relations with China and hopes to further develop relations between the two countries."

#### **Jiang Zemin Meets Professor From United Kingdom**

*OW0909121290 Beijing XINHUA in English  
1155 GMT 9 Sep 90*

[Text] Beijing, September 9 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, met today with Professor Ho Peng-yuke, director of the Joseph Needham Institute of Britain.

Ho has been here to attend an international workshop on the history of China's science and technology.

Lu Jiayi, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, was also present at the meeting.

#### **Comparison—Gulf Situation Discussed**

*HK0609125190*

Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese on 6 September carries on page 6 a 700-character report entitled "PRC, Turkish Foreign Ministers Hold Formal Talks."

This item has been compared with the XINHUA English version published on page 18 of the 5 September China DAILY REPORT and found to be identical, except for the following variations:

Page 18, column one, first paragraph, only sentence, RENMIN RIBAO OVERSEAS EDITION reads: ...the

Gulf crisis, the Cyprus issue, the Cambodian issue, and bilateral relations. [new graf]

Chinese Foreign Minister... (supplying additional passage and noting omission of passage);

Page 18, column two, first paragraph, end of last sentence, RENMIN RIBAO OVERSEAS EDITION reads: ...relevant UN resolutions. [new graf]

Qian pointed out... (noting omission of words "Chinese sources said.");

Page 18, column two, third paragraph, end of last sentence, RENMIN RIBAO OVERSEAS EDITION reads: ...quoted as saying. He also showed understanding to the defensive measures adopted in the region. [new graf]

Qian said: "It is wrong not to allow foreigners to leave Iraq. Foreign citizens must be allowed to leave the country in accordance with U.N. Resolution 664." [new graf]

The Turkish foreign... (supplying additional passage and noting omission of two paragraphs);

Page 18, column two, eighth paragraph, only sentence, RENMIN RIBAO OVERSEAS EDITION reads: ...the Cyprus issue. [new graf]

The Chinese minister... (noting omission of passage);

Page 18, column two, ninth paragraph, only sentence RENMIN RIBAO OVERSEAS EDITION reads: ...the Cambodian question. Bozer stressed that the Cambodian issue should be resolved within the UN framework, that the Cambodian people should exercise the right of self-determination, and that Turkey welcomes the progress made recently in the peaceful settlement of the Cambodian issue. [new graf]

Foreign Minister Bozer accepted the invitation to visit China at an appropriate time next year. (supplying additional passages and noting omission of last paragraph).

## Political & Social

### NPC Standing Committee Meeting Continues

#### Plenary Discussions Held

OW0709184790 Beijing XINHUA Domestic Service  
in Chinese 1338 GMT 6 Sep 90

[Text] Beijing, 6 Sep (XINHUA)—The 15th meeting of the Seventh National People's Congress [NPC] Standing Committee held a plenary discussion session today. More than 20 members made suggestions on China's industry, agriculture, education, science and technology, and literature and arts.

Chairman Wan Li attended the session.

Vice Chairpersons Lei Jieqiong and Fei Xiaotong presided over the session.

#### Persist in Economic Improvement and Rectification; Continue Deepening the Reform

Ye Lin, vice chairman of the NPC Financial and Economic Committee, said: Through arduous efforts over the past two years, China has scored initial results in the drive to improve the economic environment, rectify the economic order, and deepen the reform, and the economic situation is developing in a wholesome direction.

At the same time, however, we must pay close attention to difficulties and problems existing in economic work. Efforts must be made to steadfastly implement the decision, made by the Fifth Plenary Session of the 13th CPC Central Committee, on continuing to improve the economic environment, rectify the economic order, and deepen the reform. Efforts must also be made to firmly lay down the guiding ideology for maintaining a sustained, steady, and coordinated growth of the national economy, and to continuously strive to strike a balance between total supply and demand, thereby keeping total demand in line with the development level of society's productive forces. We should take the current favorable opportunity of lessening contradictions between supply and demand in actively and systematically readjusting the economic structure, including production structure, product mix, and organizational structure of enterprises. Except for the readjustment of product mix, which involves relatively fewer issues, readjustment in other areas will affect relations of interests between the state, local governments, enterprises, and workers and staff. Therefore, in readjusting the economic structure, the State Planning Commission should take the lead in formulating overall arrangements and steadfastly and yet prudently carrying out the readjustment in line with the state industrial policy and in line with the principles of market fluctuations, rational disposition of resources, reasonable geographical distribution, economic efficiency, and proper resettlement of surplus workers and staff.

#### Increase Input Into Science and Technology; Promote Progress of Enterprises

Member Yang Lieyu suggested: Lessening the burdens on industrial enterprises should be a major task of the current drive to improve the economic environment, rectify the economic order, and deepen the reform. Efforts should be made to accelerate the readjustment of tax categories, simplify the procedures, and reinforce the tax laws. It is suggested that the state appropriate additional special funds outside the current plan as loans, to be issued by designated banks, for scientific and technological investment and for enterprise operating funds. At the same time, the state should take clear-cut measures to check the practice of higher bank loan interest rates than capital profit rates earned by enterprises. Determined efforts must be made to resolve problems related to wanton allotment of expenses, raising of funds, collection of fees, and imposition of fines. Before a law governing scientific and technological advances is enacted, "rules" or "regulations" may be worked out to define the penalty for diverting scientific and technological investment or special funds for technical transformation for other purposes and to regulate that at least 75 percent of the depreciation funds be used for technical transformation of enterprises.

In their joint statement, members Hu Keshi and Yang Jun said: Chinese industry is basically still in the stages of extensive management and is far from the road of seeking development through scientific and technological progress. Large input for small output, low quality, high material and energy consumption, low technical grades, shortage of new products, and overemphasis on output and output value regardless of cost and market demands are relatively universal phenomena. In order to transform the extensive obsolete mode of production and management into an efficient technical mode, it is suggested that, first of all, a contractual system should be set up to include the targeted technical progress of enterprises into their evaluation reports. Under the system, enterprises failing to reach the targeted progress cannot be promoted and their workers and staff cannot receive wage hike. Second, the system of overall leadership by the director and technical responsibility by the chief engineer of the plant should be established and improved to strengthen the technical and quality guarantee systems and powers of workshops and offices of enterprises. Third, enterprises should pledge to put aside at least one percent of their aggregate sales as funds for developing new technologies and products, and enterprises which misuse or make false reports on their funds earmarked for technical transformation should be investigated and penalized. Fourth, price policies should be gradually readjusted to allow better quality products to be sold at higher prices, to restrict the prices of low quality products, and to impose penalty prices on outdated goods which should be eliminated. Fifth, we should raise the depreciation rate of fixed assets of enterprises and scientific research institutions, and continue to implement the preferential tax reduction and

exemption for new products, high-tech new products, and intermediate experimental products.

#### **Speed Up the Development of Science and Technology, Solve the Question of a Weak Market**

Member Li Yining pointed out: Integrating the acceleration of the development of science and technology with the solution to the question of a weak market is an approach to increasing the demand and accordingly getting out of the predicament of a weak market. Therefore, he made the following suggestions: First, both the central and local financial departments should increase investments in science and technology and guarantee their effective utilization. These investments in science and technology by financial departments should be concentrated on key projects, not scattered on many insignificant ones. Second, the People's Bank of China and specialized banks should offer loans exclusively for the development of science and technology and expand the scope of credit loans. To promote the development of science and technology, these banks should offer separate risky investment loans for all riskier projects. In offering loans for the development of science and technology and for risky investment projects, these banks may give different preferential treatment in accordance with different situations. In addition, the bank departments should employ more professionals in the field of science and technology or invite part-time experts in science and technology, who can evaluate, assess, and examine spending loans for science and technology and increase the economic results of investments in science and technology. Third, by integrating and annexing enterprises and encouraging scientific and technological research units and production units to run jointly, we can form enterprise groups with production combined with scientific and technological development. Fourth, of all the funds appropriated for the development of science and technology, the funds appropriated by enterprises themselves for science and technology should not be ignored. The crucial point is to develop the enthusiasm of enterprises themselves for making investments in science and technology and build a mechanism which can make enterprises themselves keep increasing investments in science and technology. He said: If the aforementioned measures can be carried out seriously, prospects of the development of science and technology are certainly optimistic. These measures are certainly of positive significance to solving the question of a weak market.

#### **Strengthen Coordination, Use Science and Technology To Develop Agriculture**

Member Wang Jinling said: Leadership over organizations of agricultural education, agricultural scientific research, and agricultural dissemination in today's China belongs separately to three different administrative systems. Though they have made some coordination, their work is still separated from one other and also shows unnecessary repetition. I suggest leadership in the three aspects of the work should be coordinated and that

teachers, scientists, and technicians in the three areas should exchange their work on a part-time basis and coordinate promoting teaching, scientific and technological research, and agricultural dissemination.

#### **Reform the System of Circulation, Solve the Problem of Selling Grain**

Member Yang Jike said: Over the past year, despite repeated injunctions by the Central authorities on implementing a special policy on agriculture and paying greater attention to agriculture, the problem of selling grain crops not only has remained unsolved but also has gotten worse day after day because reform of the circulation system has not caught up. Although the average per-capita grain output across the country is even less than that in 1987, peasants in grain-producing area are facing the same common problem of selling grain crops. As a result, they have no money to buy the means of production and of livelihood: the bumper harvest in their production conversely becomes an economic difficulty to their families. Because peasants are unable to sell their grain crops, they lack the money to buy seeds, chemical fertilizer, insecticide, and other means of production. Some peasants simply let the farmland lie idle. The reasons for the aforementioned situation are also quite complicated. However, the main reason is not the bumper harvest in agriculture in 1989. The crucial reasons are that the commercial channel is unitary, that surplus grain is not in great demand, that the overall readjustment and control are poor, and that local circulation is nonexistent. Therefore, in the second phase of our rural reform, one of the main and first-priority characteristics should be deepening the reform of the system of circulating grain. At a time when the whole country is advocating the "use of science and technology to develop agriculture," I hope the departments concerned will pay greater attention to this question, which belongs to the category of economic management of the social sciences and hurts the interests of not only peasants but also the state, and listen attentively to the outcry of peasants and grassroots cadres. Under the prerequisite that state-run grain departments play the role of the main channel, local departments concerned across the country should be permitted to decentralize the grain channel, expedite the circulation of grain, revoke outposts of tax offices, and encourage competition to change the situation in which grain purchase and marketing are monopolized by one single unit. It is necessary to encourage production units openly to meet marketing units so peasants can sell their old grain as soon as possible and increase their input in agricultural production.

#### **Accelerate the Legislation, Manage Agriculture According to the Law**

Zhang Gensheng, member of the NPC Financial and Economic Committee, said: In recent years, the provincial, municipal, and regional people's congresses have done a tremendous job in enacting laws on agriculture. In accordance with the "Land Law," "Forestry Law,"



"Grassland Law," and "Water Law," which were promulgated by the state, all provinces formulated the detailed rules for implementation and a number of local agricultural laws and statutes, which have exerted a favorable influence on the sustained and stable development of agriculture. However, the work of agricultural legislation is incompatible with the condition of the 900 million peasants and the stage of agricultural development in China. There is no single law for protecting agriculture. The foundations of agriculture remain rather weak, and its development is restricted by the vast population and scarce arable land, in addition to drought, flood, and other natural disasters which have periodically hit the country. To ensure stable development, there must be a steady flow of investment in agriculture for improving production conditions, expanding the area of irrigated farmland, and raising soil fertility through increased application of fertilizer. Therefore, to formulate a law for agricultural investment has become an urgent task. Meanwhile, while drafting such comprehensive laws as the laws on planning, budget, and investment, the state should incorporate agricultural development as a major aspect of such laws.

#### **Break Barriers Between Departments, Make Concerted Efforts Jointly To Tackle Difficult Scientific and Technical Projects**

Member Hao Yichun said: To promote scientific and technological advances, it is necessary to break barriers between departments and units and make concerted efforts jointly to tackle research projects. During the 1950's and 1960's, the scientific and technical sectors scored remarkable achievements in organizing various departments, or coordinating research, teaching, and production units, jointly to carry out research projects. In recent years, however, it has become rather difficult to coordinate departments and units, because each of them conducts its own research and keeps its data, information, and technology from others. Consequently, they are unable to exchange and fully utilize the rich data they have accumulated. It is very difficult to gather and make the best use of talented personnel, information, and equipment in carrying out major research projects. Once a hot research topic surfaced, all departments would rush to conduct research projects on the same topic. As a result, there have been many low quality redundant projects, wasting manpower and financial and material resources. It is suggested that the departments concerned should strengthen the leadership and coordination of the scientific and technical work at various levels to break barriers between departments and units and promote cooperation and coordination.

#### **Improve Scientific and Technical Legislation, Encourage Commercialization of Achievements in Scientific and Technological Research**

Member Duan Suquan said: Since the implementation of the party Central Committee's "Decision on the Reform of Science and Technology Management System" in 1985, we have carried out a series of reforms.

These reforms have improved considerably the serious dislocation between scientific research and economic development. However, a number of pressing problems are waiting to be solved. The rate of commercializing achievements in scientific and technological research is still relatively low in China. This has been caused by inadequate investment in science and technology, the irrational policy for approving the establishment of organizations of scientific and technological development, and the absence of legal protection for commercialization of research achievements. To this end, it is suggested that first of all, vigorous efforts be made to promote the commercialization of research achievements. The State Council should set an annual rate of commercializing research achievements and see to it that the rate is quantized. To supervise the enforcement of the annual rate of commercializing research achievements, the State Council should report to the NPC Standing Committee or submit a report to the NPC session every year concerning the work in this field. Second, legislative measures should be taken to set the pace of increasing state appropriation for science and technology and the ratio of funds invested by enterprises for transforming research achievements into productive forces. The state should exempt or reduce the taxes on newly started scientific and technological research projects, and provide loans with low or reduced interest rates for such projects. Third, energetic efforts should be made to assist the establishment of privately run scientific and technological enterprises, and encourage the coexistence of diverse forms of scientific and technological industries. Fourth, it is necessary to step up the exchange and cooperation between Chinese and foreign scientific and technical personnel and enterprises. Fifth, laws for commercializing achievements in scientific and technological research should be enacted as soon as possible.

#### **Take Effective Measures To Strengthen Moral Education**

Member Chen Shunli pointed out: Putting undue emphasis on making more graduates enter schools of a higher level is a great obstacle to strengthening moral education. So far, such a wrong practice has not yet been corrected across the country. While most students want to advance from primary school to junior high and senior high and then to college, our education has become an "education designed to prepare students for entering schools at a higher level." While schools are compelled to serve this purpose, it is a common practice for them to give students many exercises and tests. Test scores remain the only criterion for selection of new students, new workers, and new employees. If this problem is not solved, students, parents, and the general public inevitably will overlook the importance of moral education. We seriously must improve this situation.

**Strengthen Leadership Over Literature and Art, and Make Film-Making Flourish**

Member Xie Tieli said: Although some good films have been made in recent years, the overall film-making situation is unsatisfactory. Because of the unhealthy tendency of putting money above all else, the market has been full of films of poor taste, vulgarity, sex, and violence in the last several years, causing complaints among viewers and some film-making workers. I hope that the central authorities will strengthen their leadership over literary and art work, and carry out further reforms to solve the problems of the film-making industry with respect to its structure, social benefits, and economic efficiency.

**Make Great Determination To Improve the Work Style of Railways**

Member Deng Jiatai said: The railway department, like other departments and localities in our country, has made certain progress in the last several years. However, we should notice that irregularities also are quite serious in the railway department. Those irregularities include that workers and staff members take advantage of wagons and passenger tickets under their control to seek private gains, set arbitrary standards, and collect unauthorized fees. Some workers and staff members even collude with outsiders in ticket-scalping, give or take bribes, seek staggering profits, handle cargo roughly during loading and unloading, treat passengers impolitely, or even insult or beat passengers. I hope that the railway department will improve thoroughly its style of work in accordance with the instructions of the State Council. Emphasis should be put on thoroughly correcting such irregularities as using wagons and tickets to seek private gain, giving or taking bribes, setting arbitrary freight standards, collecting unauthorized fees, handling cargo roughly, and treating passengers in a barbarous manner.

Other who spoke at the meeting included Mo Wenxiang, Zhang Ting, Ding Guangxun, Lin Lanying, Sun Jingwen, Mamtov Kurban, and Li Chonghuai, members of the Standing Committee; and Yang Yitang, vice chairman of the Yunnan Provincial People's Congress Standing Committee.

Present at the meeting were Vice Chairmen Peng Chong, Ngapoi Ngawang Jigme, Saypidin Aze, Yan Jici, Ye Fei, Liao Hansheng, Ni Zhifu, Chen Muhua, Sun Qimeng, and Wang Hanbin.

Present at the meeting as nonvoting delegates were State Councillors Li Tieying and Li Guixian; and Liu Fuzhi, Procurator General of the Supreme People's Procuratorate.

**Song Rufen on Revised Draft Laws**

OW0709122290 Beijing XINHUA Domestic Service  
in Chinese 1351 GMT 6 Sep 90

[Text] Beijing, 6 Sep (XINHUA)—Speaking at the 15th Plenary Session of the Seventh National People's Congress [NPC] Standing Committee this morning about the views expressed by Standing Committee members toward the revised drafts of the Copyright Law, the Railway Law, and the Law Governing the Protection of the Rights and Interests of Returned Overseas Chinese and Their Families, Song Rufen, vice chairman of the Law Committee of the NPC Standing Committee, said the members maintained that the three drafts are basically well-revised and they should be adopted by the session after certain revisions have been made. After studying their views one by one, the Law Committee proposed that certain areas of the three drafts be revised.

On the Patent Law, Song Rufen said: In accordance with the views of relevant departments, it is proposed that an article 7 be added to the law to read: "The Patent Law and the Law for Technical Contracts are applicable to scientific and technical works in the event they should be protected by these laws."

He said: Some members proposed that whoever reproduces or publishes for profit the works of copyright holders without their permission should not only bear civil responsibilities, but also be subjected to disciplinary sanctions from the copyright authorities. Thus, it is suggested that a second clause be added to Article 46 of the revised draft: "Those who reproduce works for profits without the permission of the copyrights holders."

On the Railway Law, Song Rufen said: The second paragraph of Article 3 of the revised draft provides: "The State Council department in charge of railways shall decide on the establishment of state railway transport enterprises. The state railway transport enterprises exercise their administrative responsibilities as authorized by law and administrative regulations." Some members pointed out that this paragraph is improper because traces of "integration of government and enterprise functions" still can be seen, but some other members pointed out that this paragraph is quite proper because the administrative responsibilities prescribed by this paragraph for state railway transport enterprises are limited to those prescribed by law and the administrative regulations. They said that this paragraph has taken into consideration the actual current situation and the needs of future development. Some members pointed out that this clause, namely, "The State Council department in charge of railways shall decide on the establishment of state railway transport enterprises," is nonessential. Considering the fact that state railway transport enterprises are public enterprises permitted to exercise certain administrative responsibilities authorized by the state, the Law Committee proposes that the clause, namely,

"state railway transport enterprises exercise administrative responsibilities authorized by laws and administrative regulations," remain, but the sentence "The State Council department in charge of railways shall decide on the establishment of state railway transport enterprises" be deleted. In accordance with members' views, the Law Committee also proposes that the following clause be added to the supplementary article: "State railway transport enterprises in this law refer to railway bureaus and railway subbureaus." In accordance with some members' views, the Law Committee also suggests that Article 9 of the draft be revised to read: "Railway transport enterprises shall ensure safety in passenger and cargo transportation and strive to achieve punctuality in train operations."

He said: In accordance with the views of some members, the Law Committee proposes that Article 5 of the revised draft be revised to read: "Railway transport enterprises shall uphold the socialist course and the objective of serving the people, and they shall improve their management, earnestly improve their conduct, and improve the quality of transport services."

Song Rufen said: Some members pointed out that value-insured transportation [bao jia yun shu 0202 0116 6663 6551] in Article 16 is nonessential because railway departments would tend to make the service a compulsory one and that would generate irregularities. Some members endorsed value-insured transportation, maintaining that it is one way to make railway departments bear the responsibility for any cargo damages. Value-insured transportation and cargo transport insurance are two different things, and one cannot substitute for the other. The consignors or passengers should be permitted to insure or not insure the value of their goods, or to have their goods insured or not by an insurance company on a voluntary basis. This law should therefore provide that the consignors or passengers should be permitted to decide, on a voluntary basis, whether or not to have value-insured transportation or have their goods insured by an insurance company. After consulting with the Financial and Economic Affairs Committee, the Legislative Affairs Bureau of the State Council, and the Ministry of Railways, the Law Committee proposes that the provision on value-insured transportation in this article be revised to read: "If the consignors or passengers choose to have value-insured transportation of their goods, they shall be compensated for the actual losses, but the maximum amount shall not exceed the insured amount." The Law Committee also proposes that this provision be added: "The consignors or passengers may have the transportation of their goods insured by an insurance company on a voluntary basis, and the insurance company shall bear the responsibility of compensating them according to the terms prescribed in the insurance contract." "The consignors or passengers may have the value of their goods insured, or have their goods insured by an insurance company, on a voluntary basis; and they may also choose neither of the two options.

There shall be no imposition of value-insured transportation or insurance of transportation of goods under any circumstances."

Song Rufen said: According to some members' views, this additional regulation has been added to the chapter concerning legal responsibilities: "In case railway workers take advantage of their offices to engage in smuggling or speculation, or to collude with other people in carrying out these activities, they shall be investigated for criminal responsibility in accordance with the provisions stipulated in Article 119 of the Criminal Law."

On the Law Governing the Protection of the Rights and Interests of Returned Overseas Chinese and Their Families, Song Rufen said: Paragraph two of Article 10 of the revised draft provides: "When the state expropriates, dismantles, or relocates the private houses of returned Overseas Chinese or their families for construction purposes, the contracting units shall compensate them accordingly and resettle them properly in accordance with relevant state regulations." Some members pointed out that expropriation, dismantling, and relocation of private houses of returned Overseas Chinese or their families should be managed strictly in accordance with law to prevent any willful expropriation, dismantling, or relocation of private houses of returned Overseas Chinese or their families in the name of state construction. Thus they proposed that the words "according to law" be added to the term "state construction" in this article.

#### New Personnel List Announced

OW0709201190 Beijing XINHUA Domestic Service  
in Chinese 0425 GMT 7 Sep 90

[Namelist of appointments and dismissals of the National People's Congress Standing Committee]

[Text] Beijing, 7 Sep (XINHUA)—On 7 September 1990, the 15th Session of the Seventh National People's Congress [NPC] Standing Committee approved the following:

1. The appointment of Duanmu Zheng as vice president and judicial committee member of the Supreme People's Court.
2. The appointment of Huang Jie as Judicial Committee member of the Supreme People's Court.
3. The dismissal of Li Junwen [2621 0193 7186] from the post of judge of the Supreme People's Court.
4. The appointments of Yang Yongbo [2799 3057 3134], Zhang Simin [1728 1835 2404], Li Tong, Ji Min [4764 2404], Zou Chengyong [6760 2110 3938], Chen Ruicheng [7115 3843 2052], Wang Jinghong [3769 7231 4767], Hou Yongan [0186 3057 1344], Yue Zhiqiang [1471 1807 1730], and Lei Xuhui [7191 2485 2547] as judges of the Supreme People's Court.



**World Labor Conventions Approved**

OW0709133390 Beijing XINHUA Domestic Service  
in Chinese 0426 GMT 7 Sep 90

[Text] Beijing, 7 Sep (XINHUA)—Decision (adopted on 7 September 1990) of the Standing Committee of the National People's Congress on ratification of two international labor conventions

The 15th meeting of the Standing Committee of the Seventh National People's Congress has decided to ratify the Convention on Equal Pay for Equal Work for Men and Women, adopted in 1951 by the 34th congress of the International Labor Organization, and the Convention on Promoting Implementation of the International Labor Standard through Three-Way Consultation, adopted in 1976 at the organization's 61st congress.

**Standing Committee Ends Meeting**

OW0709112390 Beijing XINHUA Domestic Service  
in Chinese 0427 GMT 7 Sep 90

[Text] Beijing, 7 Sep (XINHUA)—After adopting various bills, the 15th meeting of the Standing Committee of the Seventh National People's Congress [NPC] ended at the Great Hall of the People this morning.

Chairman Wan Li presided over the meeting.

The meeting adopted, by voting, the Author's Rights Law of the People's Republic of China, the Railways Law of the People's Republic of China, and the Law of the People's Republic of China on the Protection of the Rights and Interests of Returned Overseas Chinese and the Relatives of Nationals Living Abroad.

The author's law contains six chapters, with 56 articles. The six chapters include general provisions; author's rights; author's ownership; contract on permission to use author's rights; publication, performance, and sound and video recording; broadcasting, legal responsibility, and supplementary articles. The law will go into effect on 1 June 1991.

The railways law contains six chapters, with 74 articles. The six chapters include general provisions, dealing in railway transport, railway construction, railway safety and protection, legal responsibility, and supplementary articles. The law will go into effect on 1 May 1991.

The law on the protection of the rights and interests of returned Overseas Chinese and the relatives of nationals living abroad contains 22 articles. It will go into effect on 1 January 1991.

The meeting also adopted a decision on ratifying two international labor conventions.

In accordance with Premier Li Peng's nomination, the meeting appointed Chen Jinhua, general manager of the China National Petro-Chemical Corporation, minister of the State Commission for Restructuring the Economic

System, and removed Li Peng from his post as the concurrent minister of the commission.

Chen Jinhua is 61 this year. Educated in an institute of higher learning, he served in the Ministry of Textile Industry and the Ministry of Light Industry respectively. He was a vice mayor of Shanghai. He has held the post of general manager of the China National Petro-Chemical Corporation since 1983.

The meeting also appointed Feng Lanming [7458 5695 2494] deputy secretary general of the NPC Standing Committee and Duan Muzheng [4551 2606 2973] vice president of the Supreme People's Court and member of the Adjudication Committee.

Vice chairmen Peng Chong, Ngapoi Ngawang Jigme, Seypidin Aizezi, Zhou Gucheng, Yan Jici, Ye Fei, Liao Hansheng, Ni Zhifu, Chen Muhua, Fei Xiaotong, Sun Qimeng, Lei Jieqiong, and Wang Hanbin attended the meeting.

State Councillor Chen Junsheng; Ren Jianxin, president of the Supreme People's Court; and Liu Fuzhi, chief procurator of the Supreme People's Procuratorate, attended the meeting as observers.

**Copyright Law Promulgated**

OW0709152890 Beijing XINHUA Domestic Service  
in Chinese 0416 GMT 7 Sep 90

[Text] Beijing, 7 Sep (XINHUA)—Decree No. 31 of the president of the People's Republic of China

The Author's Rights Law of the People's Republic of China was adopted by the 15th meeting of the Standing Committee of the Seventh National People's Congress on 7 September 1990. I hereby promulgate this law. It will go into effect on 1 June 1991.

[Signed] Yang Shangkun, president of the People's Republic of China  
[Issued on] 7 September 1990

**Text of Copyright Law Published**

OW0909001990 Beijing XINHUA Domestic Service  
in Chinese 0759 GMT 7 Sep 90

[Copyright law of the People's Republic of China adopted by the 15th Session of the Seventh National People's Congress Standing Committee on 7 September 1990]

[Text] Beijing, 7 Sep (XINHUA)—Chapter One—General Principles

Article 1. This law is drawn up on the basis of the Constitution for the purpose of protecting the copyrights of authors of literary, artistic, and scientific works as well as copyright-related rights and interests; encouraging the creation and dissemination of works conducive to

socialist spiritual and material construction; and promoting the development and flourish of socialist culture and sciences.

Article 2. The works of Chinese citizens, legal persons, or units which are not legal persons enjoy copyrights in accordance with this law no matter whether their works have been published.

Works of foreign nationals enjoy copyrights according to this law if they are published first within China.

Copyrights enjoying by foreign nationals' works published outside China shall be protected by this law in accordance with the agreements signed by their countries and China, or in accordance with the international treaties they have cosigned.

Article 3. Works referred to in this law include literatures and arts; and works about natural sciences, social sciences, engineering, and technology in the following forms:

- (1) Written works;
- (2) Oral works;
- (3) Musical and theatrical works; quyi; and choreographic works;
- (4) Paintings and photographic works;
- (5) Cinematographic, television, and video works;
- (6) Engineering designs, drawings of product signs and their explanations;
- (7) Maps, sketches, and other illustrations;
- (8) Computer softwares;
- (9) Other works prescribed by laws and administrative regulations.

Article 4. Works prohibited by law to be published and disseminated are not protected by this law.

Copyright holders shall not violate the Constitution and the Law, or infringe upon the public interests, while exercising their copyrights.

Article 5. This Law is not applicable for:

- (1) Laws and regulations; resolutions, decisions, and orders of state organs; and other documents of legislative, administrative, and judicial natures, and their official translations;
- (2) Information of current affairs; and
- (3) Calendars, tables, charts and formulas in general use.

Article 6. Measures for protecting the copyrights of folk literatures and arts shall be prescribed separately by the State Council.

Article 7. Patent Law, and the Law for Technical Contracts are applicable for those scientific and technical works in case they should be protected by these laws.

Article 8. The State Council's copyright department is in charge of the nation's copyright management; and copyright departments under the people's governments of all provinces, autonomous regions, and municipalities

directly under the Central Government are in charge of copyright management of their own administrative areas.

## Chapter Two—Copyrights

### Section One: Copyright Holders and Their Rights

Article 9. Copyright holders include:

- (1) The authors;
- (2) Citizens, legal persons, and units which are not legal persons enjoying copyrights in accordance with this law.

Article 10. Copyrights include the following personal rights and property rights:

- (1) The publishing right—or the right to decide whether or not a piece of work is to be published;
- (2) The signatory right—or the right to show the author's identity and the name on his works;
- (3) The alteration right—or the right to alter, or to authorize other people to alter, his works;
- (4) The right to preserve the integrity of works—or the right to keep the works from being distorted or altered; and
- (5) The rights to use and to rewards—or the rights to reproduce, show, broadcast, exhibit, publish, film, televise, and videotape the works; or to adapt, translate, annotate, and edit them; as well as the rights to permitting other people to use their works with aforementioned methods and receiving rewards therefrom.

### Section Two: Ownership of Copyrights

Article 11. Copyrights are owned by the authors, except those prescribed otherwise in this law.

Citizens of the works created by them are the authors.

Legal persons or non-legal person units are considered as the authors of the works, which are created through their sponsorship and represent their wills; and works whose responsibilities are borne by them.

If there is no proof to the contrary, the names of citizens, legal persons, or non-legal person units shown on the works are considered as the authors.

Article 12. The copyrights of works produced through adaptation, translation, annotation, or reorganization are enjoyed by the adaptors, translators, annotators, or reorganizers; but when they exercise their copyrights, they shall not violate the copyrights of the original works.

Article 13. The copyrights of a piece of work collaborated by two or more people are to be shared by them. People who have not participated in the creation cannot become collaborators.

When a piece of work can be divided into parts and used separately, each individual author may enjoy the exclusive copyrights of the part he creates; but when he

exercises the copyrights, he shall not violate the copyrights of the collaborated work as a whole.

Article 14. Copyrights of edited works are enjoyed by their editors; but when they exercise their copyrights, they shall not violate the copyrights of the original works.

Article 15. The directors, playwrights, lyricists, composers, photographers of movies, television shows, and video shows enjoy signatory rights; other copyrights are enjoyed by their producers.

Authors of scenarios and musical pieces used in movies, television shows, or video shows can enjoy their copyrights separately when these scenarios and musical pieces can be used separately.

Article 16. Works created by citizens in carrying out assignments given to them by legal persons or non-legal person units are occupational works. The copyrights of these works shall be enjoyed by their authors, except for those prescribed in paragraph two of this article; but the legal persons or non-legal person units have the priority to exercise their copyrights within their businesses. Over a period of two years after a piece of work has been accomplished, the author, without the approval of his unit, shall not permit a third person to use the work in a way identical with that of his unit.

The authors of occupational works with one of the following situations enjoy their signatory rights, and the legal persons or non-legal person units shall enjoy other copyrights and reward the authors:

(1) Engineering designs, drawings of product designs and illustrations, computer software, maps, and other occupational works created primarily with the material and technical means provided by the legal persons or non-legal person units; and their responsibilities are borne by legal persons or non-legal person units; and

(2) Occupational works whose copyrights are enjoyed by legal persons or non-legal person units as prescribed by laws, administrative regulations, or contracts.

Article 17. The copyright of a work created by a consignee shall belong to either the consignee or the consigner in accordance with their contract. The copyright shall belong to the consignee if their contract does not specify to whom it belongs or if no contract has been signed.

Article 18. The transfer of ownership of originals of the fine arts is not regarded as the transfer of the copyright of the works. However, the owner of originals enjoys the right to exhibit the originals of the fine arts.

Article 19. After the death of a citizen who owns the copyright of a work, the right to use the work and the right to receive reward from the work shall transfer according to the stipulations of the Inheritance Law within the period of protection stipulated by this law.

After the change or termination of the status of a legal person or a non-legal person unit which owns the copyright, the right to use the work and the right to receive reward from the work shall belong either to the legal person or non-legal person unit which inherits the right and obligation, or to the state if neither legal person nor non-legal person unit has inherited the right and obligation.

### Section Three: The Period of Protection for Rights

Article 20. There is no limit to the period of protection for an author's right to sign, revise and keep his work intact.

Article 21. The period of protection for a citizen's right to publish, use, and receive reward from his works will last throughout his lifetime, plus 50 years after his death. The deadline is set on 31 December of the 50th year after the death of the author; if a work is written by more than one author, the deadline is set on 31 December of the 50th year after the death of the last co-author.

The period of protection for the right to publish, use, and receive reward from the works which belong to a legal person or non-legal person unit or from occupational works whose copyrights (excluding the right to sign) belong to a legal person or non-legal person unit is closed on 31 December of the 50th year after the works were first published. However, this law will not protect works which are not published within 50 years after their completion.

The period of protection for the right to release, use, and receive reward from films, television, recorded video tapes and photographic works is 50 years. The deadline is on 31 December of the 50th year after the first release of works. However, this law will not protect works which are not released within 50 years after their completion.

### Section Four: Limits to Rights

Article 22 Works may be used without their copyrights holders' permission or paying reward to them under the following conditions; however, the names of authors and their works should be clearly printed and no infringing upon other rights enjoyed by copyright holders according to this law is allowed:

(1) using works published by others for one's own study, research, or enjoyment;

(2) appropriately citing in one's work works published by others in order to introduce or comment on a certain work or explain a certain question;

(3) citing published works in newspapers, periodicals, radio broadcasts, TV programs, or news documentary films in order to report current events;

(4) newspapers, periodicals, radio broadcasting stations, and TV stations carrying or broadcasting editorials or

commentator's articles which were carried or broadcast by other newspapers, periodicals, radio broadcasting stations and TV stations;

(5) newspapers, periodicals, radio broadcasting stations, and TV stations carrying or broadcasting speeches made at public gatherings with the exception of those speeches which the speakers insist must not be published or broadcast;

(6) translating or duplicating a small part of published works for use in classroom teaching or scientific research and to be used by teachers and scientific researchers; however, no publication is permitted;

(7) Using published works by state organs in order to execute official duties;

(8) Duplicating works kept in libraries, archives, memorial halls, museums, and galleries for display or preservation;

(9) Performing works free of charge that have been published;

(10) Copying, painting, photographing, and videotaping artistic works placed or displayed in outdoor public places;

(11) Translating published works in the Chinese language into a version in minority languages and publishing it for distribution within the country;

(12) Publishing published works in Braille.

The above provisions are applicable in restricting the rights of publishers, performers, makers of sound recordings and video recordings, broadcasting stations, and television stations.

### **Chapter Three—Contracts for Permission To Use Copyrights**

Article 23. In using the works of other people, contracts should be concluded with, or permission should be obtained from, the holders of copyrights, except in the case of using copyrights without permission as stipulated by this Law.

Article 24. Contracts include the following principal clauses:

- (1) The form of permission to use works;
- (2) The right to use with permission is special use rights or nonspecial use rights;
- (3) The scope and time limit of use permission;
- (4) The standard and method of paying;
- (5) Responsibility for breach of contracts;
- (6) Other contents deemed necessary to be agreed upon by both parties.

Article 25. In a contract the other party is not allowed to use the rights which the holder of copyrights has not explicitly given permission, or has not given permission, to use.

Article 26. The effective term of a contract shall not exceed 10 years. Contracts may be renewed following the expiration of the term.

Article 27. The standard of payment for the use of works shall be decided by the State Council's Copyrights Administration in conjunction with other relevant departments.

Where a contract contains additional agreements, payment for the use of works may also be made according to the contract.

Article 28. After obtaining the right to use other people's copyrights in accordance with this law, publishers, performers, makers of sound recording and video recording, broadcasting stations, and television stations are not allowed to encroach upon the authors' signature right and rights to make revision, to protect the integrity of their works, and to receive payment.

### **Chapter Four—Publication, Performance, Sound Recording and Video Recording, and Broadcasting**

#### **Section One: Publication of Books, Newspapers, and Periodicals**

Article 29. In publishing books, book publishers should conclude a publication contract with and pay copyrights holders.

Article 30. A publisher who publishes works for copyright holders enjoys an exclusive right to publish these works within a period as stipulated in contracts. The period shall not exceed 10 years. Upon expiration, contracts may be renewed.

Within the period as stipulated by contracts, the exclusive right to publish works enjoyed by the publisher is protected by law. No other publishers are permitted to publish these works.

Article 31. Copyright holders should turn in works in accordance with the time limit stipulated by contracts. Publishers should publish books in good publishing quality and within the time limit as stipulated by contracts.

Publishers who fail to publish books within the time limit as stipulated by contracts should shoulder civil responsibility in accordance with the stipulations under Article 47 of this law.

Publishers who reprint and republish works should notify copyright holders and reimburse them. Copyright holders have the right to terminate contracts if publishers refuse to reprint and re-publish books which are out of stock.



Article 32. With the exception of other agreements, copyright holders may submit the same piece of writing to other newspapers or magazines if they have not heard from newspapers about their contributions within 15 days or from magazines within 30 days after they mail their manuscripts.

After works are published, they may be reprinted or carried as digests or reference material by other newspapers and magazines unless copyright holders prohibit reprinting or excerpting. Reward should be offered to copyright holders according to regulations.

Article 33. With permission of authors, publishers may revise and abridge works.

Newspapers and magazines may revise and abridge works in terms of language; however, they should not revise the content of works without authors' permission.

Article 34. Publishers who publish adapted, translated, annotated, reorganized or compiled works should offer reward to copyright holders who adapted, translated, annotated, reorganized or compiled works and to copyright holders who wrote the original works.

#### Section Two: Performances

Article 35. Performers (actors, performing units) using works not yet published by others to give performances should first receive permission from copyright holders and pay them.

Performers using works already published by others to give performances may do so without copyright holders' permission. However, copyright holders should be paid in accordance with regulations; no works may be used if copyright holders prohibit the use of their works.

Performers using adapted, translated, annotated, or reorganized works to give performances for profit should offer to pay copyright holders who adapted, translated, annotated, or reorganized works and copyright holders who wrote the original works.

Performers using others' works to make sound recordings, video tape recordings and radio and television programs to give performances should apply to Article 37 and Article 40.

Article 36. Performers enjoy the following rights for their performances:

- (1) the right to make clear the performers' identities;
- (2) the right to protect the images of performances from being twisted;
- (3) the right to permit others to give live relays;
- (4) the right to permit others to make sound recordings and video tape recordings for profits and receive reward.

#### Section Three: Sound Recordings and Video Recordings

Article 37. In using other people's unpublished works to make tape recording products, those who make sound recordings should obtain permission from the copyright

holders and pay them accordingly. In using other people's published works to make sound recording products, it is not necessary for those who make sound recordings to obtain the permission of the copyright holders, but they should pay according to regulations. Using copyrights will not be permitted if the copyright holders have issued statements prohibiting the use of their works.

In using other people's works to make video recording products, those who make video recordings should obtain the permission of the copyright holders and pay them accordingly.

In using the works created as a result of revising, translating, annotating, and rearranging original works, those who make sound recordings and video recordings should pay the copyright holders of the revised, translated, annotated, and rearranged works or the copyright holders of the original works.

Article 38. In making sound recording and video recording products, those who make sound recordings and video recordings should conclude a contract with the performers and pay them accordingly.

Article 39. Those who make sound recordings and video recordings enjoy the right to allow other people to duplicate and publish their works and to receive payment for the duplication and publication. The right will be protected for a period of 50 years, ending on 31 December of the 50th year following the first publication of the product.

Those who make sound recordings and video recordings who are allowed to duplicate and distribute works should also pay the copyright holders and performers according to regulations.

#### Section Four: Broadcasting by Radio Stations and Television Stations

Article 40. In using other people's unpublished works to create broadcasting and television programs, radio stations and television stations should obtain the permission of the copyright holders and pay them accordingly.

In using other people's published works to create broadcasting and television programs, radio stations and television stations may do so without the permission of the copyright holders, but may not use the copyrights if prohibition is stated by the copyright holders. Radio stations and television stations should pay according to regulations, unless stated otherwise by this law.

In using the works created as the result of revising, translating, annotating, and rearranging the original works to create broadcasting and television programs, radio stations and television stations should pay the copyright holders of the revised, translated, annotated, and rearranged works and the copyright holders of the original works.

Article 41. In creating broadcasting and television programs, radio stations and television stations should conclude a contract with the performers and pay them accordingly.

Article 42. Radio stations and televisions enjoy the following rights to their radio and television programs they have created:

- (1) the right to broadcast;
- (2) the right to allow others to broadcast and receive payment;
- (3) the right to allow others to duplicate and distribute their radio and television programs they have created and to receive payment.

The right stipulated in the above paragraph will be protected for a period of 50 years, ending on 31 December of the 50th year following the first broadcast of the program.

Those who make sound recordings and video recordings who are allowed to duplicate and distribute programs should also pay the copyright holders and performers in accordance with regulations.

Article 43. For nonbusiness broadcasting of already-published audio recordings, radio and television stations neither need the permission of copyright holders, performers, or producers of recordings nor shall stations pay them in remuneration.

Article 44. To broadcast films, television programs, and video recordings produced by others, television stations shall have the permission by the producers of the films, television programs, and video recordings and pay them in remuneration.

#### Chapter Five—Legal Responsibilities

Article 45. For the following listed right-infringement acts and civil responsibilities, including cessation of infringement, elimination of influence, open apologies, and indemnity for losses, shall be undertaken as required by the case in question:

- (1) Publication of any work without permission by the author;
- (2) Publication of any work produced jointly with a co-author as one's own work without permission by the co-author;
- (3) Signing name on a work for the sake of fame and gain while the work was produced by another person and the signatory has not taken part in the production of the work;
- (4) Distorting or tampering with others' works;

(5) Using others' works for performance, broadcasting, exhibition, distribution, or production of films, television programs, or video recordings or by way of alteration, translation, annotation, or editing without permission by the copyright holders, except otherwise provided by this law;

(6) Using others' works without paying for such use as stipulated;

(7) Direct relay of on-site performance without permission by the performer;

(8) Other acts of infringement upon copyrights and other rights and interests related to copyrights.

Article 46. For the following listed right-infringement acts and civil responsibilities, including cessation of infringement, elimination of influence, open apologies, and indemnity for losses, shall be undertaken according to the case in question, and administrative punishments, such as confiscation of the illegal gains and imposition of fines, may be given by the copyright administrative department:

- (1) Plagiarizing or copying others' works;
- (2) Reproduction and distribution of works for profit-making purposes without permission by the copyright holders;
- (3) Publication of books for which others have the exclusive right of publication;
- (4) Production and publication of audio and video recordings of performance without permission by the performer;
- (5) Reproduction and distribution of audio and video recordings without permission by the producers of the audio and video recordings;
- (6) Reproduction and distribution of radio and television programs without permission by the radio and television stations that produced the programs;
- (7) Production and sales of works of fine arts with forged signatures on them.

Article 47. The concerned party that fails to fulfill the contracted obligation or whose fulfillment of the contracted obligation does not meet the terms specified in the contract shall undertake civil responsibilities in accordance with the relevant provisions in the General Rule of Civil Code.

Article 48. Disputes over infringement upon copyrights may be mediated. If mediation fails or if one of the parties changes mind after an agreement is reached through mediation, a lawsuit may be filed with the people's court. If any party concerned does not wish the dispute to be mediated, it may also file a lawsuit directly with the people's court.

Article 49. Disputes over copyright contracts may be mediated, or applications for arbitration may be filed with the copyright arbitration organ in accordance with the arbitration clause in the contract or the written arbitration agreement reached after the signing of the contract.

The parties concerned shall carry out the arbitration decision. If one of the parties concerned fails to carry out the arbitration decision, the other party may apply to the people's court for enforcement of the decision.

The people's court receiving the application has the power to refuse to enforce the decision provided that it finds the arbitration decision against the law. When the people's court refuses to execute the decision, the party concerned may sue at the people's court for the dispute over the contract.

If the parties concerned have neither included an arbitration clause in their contract nor signed a written arbitration agreement after the signing of the contract, a lawsuit may be filed directly with the people's court.

Article 50. A concerned party that does not agree with the administrative punishment may file a lawsuit with the people's court within three months after receiving notification of the decision on the administrative punishment. If no lawsuit is filed within the prescribed period and the decision is not carried out, the copyright administrative department may ask the people's court to enforce the decision.

#### Chapter Six—Supplementary Rules

Article 51. Copyright referred to in this law is synonymous with right to publication.

Article 52. Reproduction referred to in this law means the act of making one or more copies of a work by printing, photocopying, hand copying, rubbing, audio recording, video recording, dubbing, or photographing.

Construction work and production of industrial products according to project and product design blueprints and their explanations are not reproduction referred to in this law.

Article 53. Measures for protection of computer softwares shall be formulated separately by the State Council.

Article 54. Regulations on the implementation of this law shall be formulated by the copyright administrative department of the State Council and submitted to the State Council for approval. The regulations shall be put into effect after such approval is obtained.

Article 55. Rights stipulated in this law for copyright holders, publishers, performers, audio- and video-recording producers, and radio and television stations shall be protected in accordance with this law, provided that such rights are still within the period of protection stated in this law on the date this law is put into effect.

Acts of right infringement or contract breaking before this law is put into effect shall be dealt in accordance with pertinent regulations and policies at the time of occurrence of such acts.

Article 56. This law shall be put into effect on 1 June 1991.

#### Railway Law Adopted 7 Sep

OW0709141590 Beijing XINHUA in English  
1337 GMT 7 Sep 90

[Text] Beijing, September 7 (XINHUA)—China's first railway law was adopted here today at the Fifth Session of the Seventh National People's Congress Standing Committee.

According to the law, the related departments will practise a highly-centralized transportation system and play a role of guiding, supervising and helping local railways and special railways.

The law stipulates that railway transportation enterprises must strengthen management and protection of railways and the safety of passengers and cargoes. Security will be safeguarded by railway and local public security organs, and important bridges and tunnels will be guarded by the armed police.

The state will reward those units and individuals who score achievements in railway research.

The 74-article law also has special stipulations governing railway transportation business, construction, security, protection and legal duties.

Under the law, the railway transportation enterprises will pay for delayed cargoes. Consignors, consignees and passengers have the right to ask for compensation if goods, parcels or luggage are shipped to them one month late.

The law also has specific rules governing the carriage of dangerous goods on trains, sabotage of railway facilities, blocking the passage of trains, theft and ticket scalping.

Railway workers and staff who collaborate with gangs in speculation and profiteering or in dereliction will be punished by law.

The law will go into force May 1 1991. The application regulations will be formulated by the State Council.

#### Text of Decree on Railway Law

OW0809024890 Beijing XINHUA Domestic Service  
in Chinese 2310 GMT 7 Sep 90

[Text] Beijing, 8 Sep (XINHUA)—Decree of the President of the People's Republic of China

No. 32

Here is the "Railway Law of the People's Republic of China," which was adopted by the 15th Session of the



Seventh National People's Congress Standing Committee on 7 September 1990. It will become effective on 1 May 1991.

[Signed] Yang Shangkun, president of the People's Republic of China  
[Dated] September 7, 1990

#### **Decree of Overseas Chinese Law**

OW0809031790 Beijing XINHUA Domestic Service  
in Chinese 2310 GMT 7 Sep 90

[Text] Beijing, 8 Sep (XINHUA)—Decree of the President of People's Republic of China

No. 33

Here is the "People's Republic of China Law Governing the Protection of Rights and Interests of Returned Overseas Chinese and Their Families," which was adopted by the 15th Session of the Seventh National People's Congress Standing Committee on 7 September 1990. It will become effective on 1 January 1991.

[Signed] Yang Shangkun, president of the People's Republic of China  
[Dated] September 7 1990

#### **More on Law on Protecting Returnees**

OW0909051890 Beijing XINHUA Domestic Service  
in Chinese 2333 GMT 7 Sep 90

[Text] Beijing, 8 Sep (XINHUA)—The People's Republic of China Law for the Protection of Returned Overseas Chinese [gui qiao 2981 0294] and Overseas Chinese Families [qiao juan 0294 4187]

Adopted by the 15th Session of the Seventh National People's Congress Standing Committee on 7 September 1990

Article 1. This law is drawn up on the basis of the Constitution for the protection of returned Overseas Chinese and Overseas Chinese families.

Article 2. Returned Overseas Chinese refers to Overseas Chinese who have returned and settled in China. Overseas Chinese refer to Chinese citizens who have settled abroad.

Overseas Chinese families refers to the dependents of Overseas Chinese and returned Overseas Chinese.

Overseas Chinese families referred to in this law include: the spouses of Overseas Chinese and returned Overseas Chinese, their parents, their children and children's spouses, their brothers and sisters, their grandparents, their maternal grandparents, their grandchildren, and their maternal grandchildren; as well as other relatives receiving longterm living support from Overseas Chinese and returned Overseas Chinese.

Article 3. Returned Overseas and Overseas Chinese families enjoy citizens' rights and fulfil citizens' obligations prescribed in the constitution and other laws. No organizations or individuals shall discriminate against them.

The state gives proper care to returned Overseas Chinese and Overseas Chinese families in accordance with the actual situation and their particular needs; and specific measures shall be drawn up by the State Council or its relevant authorities.

Article 4. The state shall resettle Overseas Chinese returned to settle in China.

Article 5. The National People's Congress and people's congresses in areas where the numbers of returned Overseas Chinese are relatively large shall have a proper quota for representatives of returned Overseas Chinese.

Article 6. Returned Overseas Chinese and Overseas Chinese families have the rights to organize social groups according to law, safeguard the legitimate rights and interests of returned Overseas Chinese and Overseas Chinese families, and carry out legitimate social activities compatible with the needs of returned Overseas Chinese and Overseas Chinese families.

The property of social groups founded by returned Overseas Chinese and Overseas Chinese families according to law are protected by law from encroachment by any organizations or individuals.

Article 7. The state supports the ranches and tree farms where returned Overseas Chinese are settled. No organizations or individuals shall encroach upon the land which they use legitimately, or infringe upon their legitimate rights and interests.

According to their needs, the ranches, tree farms, and other concerns where returned Overseas Chinese are settled may set up schools and medical and health organs in a rational manner, and the state shall give them support in terms of personnel, equipment, and budgets.

Article 8. Local people's governments at various levels shall support the industrial and commercial enterprises set up with investment from returned Overseas Chinese and Overseas Chinese families; and the development of barren hills, unused land and beaches with their investment; or their agricultural, forestry, animal husbandry, sideline, and fishery production. Their legitimate rights and interests are protected by law.

Article 9. People's governments at all levels shall support the public services in China undertaken by returned Overseas Chinese and Overseas Chinese families, and their legitimate rights and interests are protected by law.

If they are used for public services, the donated materials and equipment which returned Overseas Chinese and Overseas Chinese families receive from their relatives living abroad shall receive preferential treatment in the form of having the tariff reduced or exempted.

Article 10. According to law, the state protects the returned Overseas Chinese' and Overseas Chinese families' ownership of their private houses in China.

When the state expropriates, dismantles, or relocates the private houses owned by returned Overseas Chinese and Overseas Chinese families, the construction units shall compensate them accordingly and resettle them properly in accordance with relevant regulations of the state.

Article 11. Returned Overseas Chinese students, children of returned Overseas Chinese, and Overseas Chinese' children in China shall receive education and employment assistance in accordance with the relevant regulations of the state.

Article 12. The state protects the remittances which returned Overseas Chinese and Overseas Chinese families receive from abroad.

Article 13. Returned Overseas Chinese and Overseas Chinese families have the right to inherit, or receive inheritance, endowments, or gifts from their relatives living overseas.

Returned Overseas Chinese and Overseas Chinese families have the right to dispose of their overseas property.

Article 14. Contacts and correspondence between returned Overseas Chinese and Overseas Chinese families, and their relatives living overseas, are protected by law.

Article 15. The relevant authorities shall examine and approve, within a prescribed period, the departure applications submitted by returned Overseas Chinese and Overseas Chinese families.

When returned Overseas Chinese and Overseas Chinese families need to leave the country in a hurry because of genuine need—such as their directly-related family members overseas are critically ill or have died, or they have to dispose their property abroad within a certain period, and other special circumstances—the relevant authorities shall, basing on the valid proofs submitted by the applicants, promptly examine and approve their departure.

Article 16. The state protects the rights of returned Overseas Chinese and Overseas Chinese families to visit their relatives living overseas.

In accordance with the relevant regulations of the state, workers of state organs and state enterprises, who are returned Overseas Chinese or members of Overseas Chinese families, may visit their relatives living overseas.

Article 17. Returned Overseas Chinese and Overseas Chinese families have the right to settle abroad.

When they settle abroad, workers of returned Overseas Chinese and Overseas Chinese families, who have left their posts for rest and recuperation, or who have retired

or resigned, shall continue to receive pensions, retirement pay, or separation pay.

Article 18. When returned Overseas Chinese and Overseas Chinese families request to study abroad at their own expense, they shall receive assistance in accordance with relevant regulations of the state.

Article 19. The state protects returned Overseas Chinese and Overseas Chinese families' legitimate rights and interests abroad in accordance with the international treaties, which the People's Republic of China has concluded or is a signatory, or in accordance with international norms.

Article 20. When their legitimate rights and interests have been violated, returned Overseas Chinese and Overseas Chinese families have the right to demand for relevant authorities to handle their cases according to law, or file suits at the people's courts.

Article 21. The State Council shall draw up implementation measures in accordance with this law.

The standing committees of people's congresses of various provinces, autonomous regions, and municipalities directly under the central government may draw up their implementation measures in accordance with this law or the State Council's implementation measures.

Article 22. This law becomes effective on 1 January 1991.

### **Editorial on Curbing of Unhealthy Trade Trends**

*HK0809083890 Hong Kong WEN WEI PO  
in Chinese 30 Aug 90 p 2*

[Editorial: "The Trades' Unhealthy Trends Must Be Brought Under Permanent Control"]

[Text] The Third Session of the Seventh National People's Congress [NPC] this spring adopted a government work report, which enumerates four aspects of building an honest and clean government this year. One of them is to correct the trades' unhealthy trends. A few days ago, the State Council decided to regard the correction of the trades' unhealthy trends as one aspect of the key work for the second half of this year.

The so-called unhealthy trends refer to some officials and workers of all functional departments and public utilities of the mainland government taking advantage of the power in their hands and even the functions of their trades to blackmail people, to commit graft, and to receive bribes. While the unhealthy trends are prevailing, the phenomena of taking advantage of power to seek personal gain, working unfairly, getting in through the back door, pursuing bureaucratism, and adopting a peremptory attitude are fairly universal in some places on the mainland. As Premier Li Peng pointed out, these have become the passive and corrupt phenomena about which the masses are now complaining very much. If

these unhealthy trends are not curbed, social and economic development will be affected, and even stability will be sabotaged.

The 10 years of reform and opening up have made the mainland economy grow quickly, increased the demands on social services, and made the contacts among regions and people closer with each passing day. Although social service facilities have developed quickly, they still cannot meet social demands. Moreover, the laws and regulations are unsound, or people do not abide by the law although it has been made. When people want to do things in their social and economic activities and daily life, if they do not give an "advantage" to the personnel concerned, they cannot do as they please. For example, difficulties in travelling (difficulties in buying train tickets and ship tickets, especially difficulties in buying tickets for an ordinary sleeping car), difficulties in electricity consumption (the electricity supply department makes things difficult for consumers), difficulties in water consumption (water supply department makes things difficult), difficulties in registering permanent residence, and difficulties in admission into schools are universal phenomena that evoke the masses' strong dissatisfaction.

The government has adopted "rigid" measures to basically curb the unhealthy trends. At a telephone conference of the State Council that made arrangements for this work last week, the minister of public security, minister of railways, and director of the State Administration of Taxation, took the lead in disclosing the various manifestations of their trades' unhealthy trends and put forward specific measures.

As the Ministry of Public Health, Ministry of Railways, and State Administration of Taxation play an extremely important part in social and economic operations, the evil influence of their unhealthy trends also evokes the masses' dissatisfaction. The most senior officials of these three departments have now come out to "expose their shortcomings" and to make known their position. This is no doubt a shock to all trades, is advantageous to the rectification of the unhealthy trends, and will vigorously propel the other trades and society.

After this session, media on the mainland have reported the determination of all trades to disclose and rectify their unhealthy trends, as well as the masses' praise and expectation of the correction of the unhealthy trends this time. This shows that the State Council has achieved good results in the aspect of continuing to do practical things, and strengthening the building of an honest and clean government, and that it can enjoy the trust and support of the people.

Although the prevalence of the trades' unhealthy trends is related to the development of the commodity economy and to the active social life after reform and opening up, these unhealthy trends are not incurable diseases in the course of reform and opening up. Just on the contrary, only by persisting in reform and opening up, doing a

good job in reform of the economic and political structures in the light of the national conditions of China, strengthening the building of democracy and the legal system can it be the fundamental way out to correct the unhealthy trends.

It is necessary to use the legal system to guarantee the correction of the unhealthy trends. A nationwide administrative law has been formulated and will be put into effect. This, on the whole, provides the administrative departments with legal guarantee in performing their functions and provides the masses with a legal basis in supervising the performance of the functions by the administrative departments. However, as China is vast in territory, the situation of all places is not identical at all, and all trades and departments have their own characteristics, it is, therefore, a pressing matter of the moment to speed up the formulation and promulgation of the regulations and systems that conform to the realities of their own trades. This work and the stepping up of the building of democracy and the legal system throughout the country must supplement each other.

Premier Li Peng uses "abhorrence" to describe the degree of the masses' dissatisfaction with the unhealthy trends and demands that the governments at all levels, and all professions and trades understand that the correction of the unhealthy trends is an extremely important content of the building of the political power, and has a bearing on the rise and decline of a state. They must not conceal their faults for fear of criticism, but profoundly expose and vigorously correct them. Thus, there are hopes for an honest, clean, and hardworking government.

#### Li Peng's Resignation From Economic Post Viewed

HK0809053090 Hong Kong MING PAO in Chinese  
8 Sep 90 p 1

[Editorial: "Li Peng Does Not Concurrently Act as Minister of the State Commission for Restructuring the Economy"]

[Text] Only yesterday, PRC Premier Li Peng resigned [ci qu 6588 0637] from his concurrent office as the Minister of the State Commission for Restructuring the Economy. Replacing him as the new head of the Commission is Chen Jinhua [7115 6930 5478], general executive of the China National Petrochemical Corporation. This is the first change in Li Peng's important posts since the Beijing "June 4" incident last year. With the upcoming Seventh Plenary Session of the CPC 13th Central Committee, this reshuffle naturally has a particular significance.

The State Commission for Restructuring the Economy was personally initiated by ousted CPC Central Committee General Secretary Zhao Ziyang, who was concurrently its director for a long time during his term at the premier's office. The said commission always played a most important role as a think tank in China's 10-year reform, and presented a series of important decisions on China's strategy for reform. Although Li Tieying, the



current Minister of the State Education Commission, was the director for a brief period, after taking the office of premier, Li Peng has always concurrently been at the post; however, there has been little change in the nature of the State Commission for Restructuring the Economy being "Zhao Ziyang's stronghold." With the exception of a small number of people who have been recruited under Li Peng's influence, the overwhelming majority of the commission's personnel have always been very enthusiastic about reform and opening up; that the Institute of Restructuring the Economy under the said commission was directly involved in the pro-democracy movement during the Beijing "4 June" incident is self-evident.

Regarding Li Peng's resignation from the office, the Chinese authorities gave the following explanation: "This is in consideration for the premier, so he can focus his energy on the State Council's work." However, this is not believed to be the genuine cause. When Zhao Ziyang was premier, he was concurrently Minister of the Commission in addition to being the head of the State Leading Group for Science and Technology, as well as the head of the CPC Central Committee Leading Group for Finance and Economy. Moreover, it is the tradition of the CPC top echelon for a senior cadre to take up several posts concurrently.

Perhaps, the supreme tier of CPC leadership believes that Li Peng has in actuality, shown little enthusiasm for the line of reform and opening up. China's most important issue has been none other than the economy over the past 10 years or so. However, in the last three years since Li Peng took the premier's office, the Chinese economy has seen the most difficult years of the recent decade, and this remains so to date. Although multiple causes may account for such a situation, it is true that Li Peng has failed to present any genuinely effective measures to govern the state. Appropriately alleviating him from less important posts will be beneficial to the state, the people, and Li Peng himself.

Since Jiang Zemin took office as the CPC Central Committee General Secretary, there has always been rumor, saying that there is an expansion of the Jiangsu and Zhejiang factions inside the CPC. Chen Jinhua, the newly appointed minister of the State Commission for Restructuring the Economy, was vice mayor of Shanghai. It is believed that he has some well-founded connection with Jiang Zemin. From the current reshuffle, we may speculate that some very important reshuffles might take place at the upcoming Seventh Plenary Session of the 13th Central Committee, and a number of new faces will enter the CPC decisionmaking tier. Consequently, Jiang Zemin's status as "the core of leadership of the CPC's third generation" will be further "cemented."

A still greater possibility is that the current reshuffle may serve as a signal for a deeper stalemate in China's reform; and whether or not economic or political reform will occupy an important place from now on. In fact, we can see that opening up has not slowed, but reform's role

has been reduced to insignificance, although the CPC authorities have repeatedly pronounced the adherence to reform and opening up in the wake of the "4 June" Incident. In Li Peng's report delivered at the meeting for all personnel of the State Commission for Restructuring the Economy last January, the essence of deepening reform he proposed was nothing more than completing and perfecting the contract responsibility system with enterprises, and the system of overall leadership by the factory director. Although the CPC has recently pushed forward the Shanghai trade market and continuing of price reform, the disclosed contents of the "Eighth Five-Year Plan" and the plan for the next 10 years, showed that the concept of central planned economy is dominant. As reform has become unimportant, naturally, the role of the State Commission for Restructuring the Economy is to be reduced. With someone like Chen Jinhua appointed the minister, who is not high ranking in the party and Government patriarchy, has neither presentable qualifications nor a record of service behind him, nor enjoying great fame, nor having a long standing in decisionmaking regarding reform, we are afraid that the importance of the said commission will be greatly reduced.

#### Chen Jinhua's Commission Appointment Viewed

HK0809075090 Hong Kong MING PAO in Chinese  
8 Sep 90 p 2

["News Analysis": "The Appointment of Chen Jinhua Is Suspicious"]

[Text] Li Peng, premier of China, has resigned from his concurrent position as minister of the State Commission for Restructuring the Economy; this position has been taken over by Chen Jinhua, general manager of the China National Petrochemical Corporation. This matter occurred suddenly, and furthermore, Chen Jinhua's grade does not meet the requirements for the minister of the State Commission for Restructuring the Economy. This cannot but surprise people.

A proof of the sudden occurrence of this matter is that the appointment was adopted at the closing ceremony of the meeting of the National People's Congress [NPC] Standing Committee. The news first came out on 6 September and was published in a dispatch from XINHUA SHE on 7 September. It was most probable that this appointment was not included on the agenda of the meeting of the NPC Standing Committee, but before the conclusion of the meeting, for certain reasons, Li Peng resigned and proposed that Chen Jinhua take over. This appointment was, therefore, hastily adopted at the closing ceremony. If this is the case, it makes people question whether or not the NPC Standing Committee examined and discussed this motion of appointment and removal.

It is believed that Chen Jinhua's post as the general manager of China National Petrochemical Corporation is merely the grade of a vice minister to minister, and is



lower than that of Huang Yicheng, minister of energy resources, and Chen Jinhua was administratively under the command of Huang.

#### **Promotion More Than One Grade at a Time Appears Unusual**

The grade of the post of the minister of the State Commission for Restructuring the Economy that Li Peng held formerly and concurrently, is equal to the other comprehensive commissions of the State Council, and its administrative grade is higher than that of the general ministries and commissions. After the establishment of the Commission, the post of the previous three ministers was concurrently held by Zhao Ziyang and Li Peng in the capacity of a premier, and was briefly held by Li Tieying who is a state councillor, at the level of a vice premier. Zhao and Li were the standing committee members of the Political Bureau of the CPC Central Committee, Li Tieying was a member of the Political Bureau, and their status was high. Chen Jinhua replaces Li Peng and is being promoted more than one grade at a time. This matter is unusual.

The instances of promotion more than one grade at a time in the State Council are very rare, still fewer are the instances involved in such an important super-department as the State Commission for Restructuring the Economy. In the instances of promotion more than one grade at a time, those who were promoted are younger and have prospects for great development. However, Chen Jinhua is 61 years old this year, one year younger than Li Peng, and is not younger than the four present vice ministers of the Commission—Guanghui (61 years old), Liu Hongru (60 years old), Zhang Yanling (63 years old), and Gao Shangquan (61 years old). In fact, Chen Jinhua is not as good as He, Liu, and Zhang in grade, qualifications, and record of service, and prestige but perhaps, slightly better than Gao. The motion of appointment and removal put forward by Li Peng says that Chen Jinhua has four outstanding points in working experience:

First, he is more familiar with the situation of the state economy; second, he has a certain foundation of economic theory; third, he has experience in economic management work; fourth, he displayed a pioneering spirit and scored comparatively outstanding achievements in the period of organizing, setting up, and taking charge of the China National Petrochemical Corporation.

In the first and second points, Chen Jinhua has no outstanding performance and is much inferior to the four present vice ministers of the Commission. In the third and fourth points, as the work and nature of the enterprises, such as China National Petrochemical Corporation, are different from those of an organ with a high degree of policy nature like the State Commission for Restructuring the Economy, how can he assume the post of minister?

As the minister, Chen Jinhua should be promoted to a state councillor at least. What are the reasons for promoting Chen Jinhua, with his qualifications, record of service, specialty, and manifestations to a state councillor faster than the other more senior ministers? If he is not promoted to a state councillor, this means that the administrative grade and political importance of the State Commission for Restructuring the Economy have been lowered, so have the positions of the four present vice ministers. This is a comparatively abnormal phenomenon.

#### **Conforming to Deng Xiaoping's Style of Appointment**

Nevertheless, the promotion of Chen Jinhua more than one grade at a time does conform to Deng Xiaoping's consistent style of appointment. The previous most prominent example was Wang Zhaoguo. In the appointment of less senior personnel, such as the appointment of Ding Guangen as first vice minister of the State Planning Commission, and the appointment of Zhao Zongnai as first deputy director of the Organization Department of the CPC Central Committee, those who had no relevant working experience, qualifications, record of service, nor specialty, were promoted to important positions. Perhaps this is the method Deng Xiaoping applies to eradicate the interference of the bureaucratic system and to establish his personal trusted followers under his direct control (without Deng Xiaoping's personal trust and support, they could not easily sit in important positions with their qualifications, record of service, and ability, and therefore, they always act upon whatever Deng Xiaoping says personally). In addition, Zhao Zongnai was a member of Hu Qiuli's "petroleum group" in the initial period of the 1980's, and he has suddenly resurfaced after he had been dismissed from office for many years. What is the relationship between Chen Jinhua and the petroleum group?

In other words, such a special and sudden appointment and removal of personnel is the reflection of Deng Xiaoping's personal political interference at the high levels of the CPC Central Committee. The practical significance does not lie in the personnel of the State Commission for Restructuring the Economy, but in the control of the political power and policies.

It was said that Deng Xiaoping recently criticized Li Peng and Qian Qichen, who are in charge of foreign affairs, for supporting the United States too quickly in the matter concerning Iraqi aggression against Kuwait. Over the past one or two days, China has taken a comparatively strong anti-U.S. stand in the Middle East crisis. This perhaps reflects Deng Xiaoping's dissatisfaction with Li Peng's work and even his power. He, therefore, personally interfered and interfered very extensively.

In addition, the State Planning Commission and the Ministry of Finance had a sharp conflict with Li Guixian, president of the People's Bank, on the issue of whether or not a large amount of credit funds should be

issued to stimulate economic growth. At this meeting of the NPC Standing Committee, the report by Zou Jiahua, minister of the State Planning Commission, mainly reflected the stand of the State Planning Commission and the Ministry of Finance. It seems that Li Guixian is under pressure in the implementation of the policy on Deng Xiaoping's demand for economic growth. The differences at the leadership level of the Central authorities involve Deng Xiaoping and tend toward intensification. It is said that at the end of September, a national economic conference (possibly a national planning work conference or perhaps a national conference on restructuring the economy will be held simultaneously) will be held. Could this change in personnel be the result of the differences in policies and be aimed at the conference at the end of September?

#### Li Peng's Position Is Still Consolidated

Nevertheless, the positions of Li Peng as the premier of the State Council and as a member of the Political Bureau Standing Committee are very consolidated. It is believed that Deng Xiaoping does not necessarily want to change Li Peng. The key question is who can, or who is willing, to take over the thankless work of Li Peng?

#### Reportage on Upcoming Asian Games Activities

##### Yang Shangkun Inspects Village

OW0709201790 Beijing XINHUA in English  
1551 GMT 7 Sep 90

[Text] Beijing, September 7 (XINHUA)—Yang Shangkun, president of the People's Republic of China, inspected the Asian Games Village and facilities for the forthcoming 11th Asian Games here Friday.

The Asian Games Village was formally opened Friday morning.

Yang inspected the village mayor's office, athletes apartment, recreation center, fitness center and other facilities in the village.

The president expressed his satisfaction on the quality of the facilities and equipment, most of which are home-made.

The president also visited the indoor swimming pool and the stadium in the nearby national olympic sports center.

Yang said that it was really remarkable that so many facilities were built in such a short period of time.

We should owe these achievements not only to the people of Beijing, but also to the whole Chinese people, he said.

The Asian Games projects greatly inspired the Chinese people, he added.

The 16-day Asian Games will open on September 22.

#### Asian Games Village Detailed

OW0709223390 Beijing XINHUA in English  
1748 GMT 7 Sep 90

[Article by sports writer Zhou Bongxin]

[Text] Beijing, September 7 (XINHUA)—For all the participants of the coming 11th Asian Games in the Chinese capital city of Beijing, the Asian Games Village in Beijing's northern suburbs will be their home away from home during the 16-day games starting on September 22.

The village is adjacent to the Intercontinental Hotel and the International Convention Center, which serve as the press village and the main press center of the Asian Games.

The village, which formally opened Friday morning, covers an area of 130,000 square meters.

In the village are the village mayor's office building, six athletes apartment buildings, a dining hall, religious facilities and a central garden. It has a total construction area of 170,000 square meters.

The village mayor's office building is at the northern corner of the central garden. The red-roof building, which is also the headquarters of the village, houses the mayor's office and will also host the routine meetings of the chefs de mission of the participating delegations during the games.

In front of the building is the Flag Plaza, where the official flag-hoisting ceremonies are held for the admission of the delegations.

The athletes apartments are buildings of 13 to 18 storeys, with 1,065 flats totaling 152,000 square meters in floor space.

All the rooms are equipped with brand new furniture and the offices of the chefs de mission are complete with telephone sets, television sets, computer terminals and medical care devices.

A giant dining hall has been built in the village, with a total construction area of 128,000 square meters.

The dining hall could serve up to 2,500 people at the same time, and a separate hall is reserved for Muslim participants, with various food prepared strictly according to their custom.

Special arrangement has been made to provide such service as medical care, information inquiry, postal and telecommunications, banking, travel by air and railways, equipment rental, typing, interpretation, translation and printing.

Islamic, Catholic, Christian and Buddhist halls are set up in the northeast of the village for religious rites by villagers.

For those who want to relax after fierce competition, the central garden in the south of the village compound provides a quiet, comfortable environment.

The garden has an area of 40,000 square meters.

In the west of the garden is a running track for morning exercise and jogging.

And the villagers could also enjoy everything from a disco ball room, a billiards room, a library, a video room, a video game room to a teahouse and coffee shops.

The fitness center is complete with a gym, a swimming pool, sauna, a barber's shop and a beauty salon.

The village is at a convenient location, adjacent to the Asian Games Organizing Committee Headquarters, and the National Olympic Sports Center, site for the games' swimming, diving, water polo, track and field, and handball events, is just across the street.

An underground tunnel has been built for a safe, quick access to the competition sites by the athletes, their coaches and the officials living in the village.

#### Officials Address Athletes

OW0709115190 Beijing XINHUA Domestic Service  
in Chinese 1405 GMT 6 Sep 90

[Report by Li Hepu (2621 6320 2528) and Gao Dianmin (7559 3013 3046)]

[Text] Beijing, 6 Sep (XINHUA)—In what spirit should Chinese athletes participate in the 11th Asian Games? At a mobilization meeting held by the Chinese sports delegation this afternoon, Li Tieying, member of the CPC Central Committee Political Bureau and state councillor, called on the athletes to compete perseveringly, eliminate unnecessary mental baggage, emancipate their minds, and score outstanding achievements at the Asian Games.

The mobilization meeting was held in the Great Hall of the People. Athletes and coaches, in their formal sports attire, were full of vigor and in high morale.

Li Tieying said: The Chinese sports delegation is a combatant collective of unity. Some people win while others lose in games. However, in losing a ball game, one must not lose spirit and pride.

There are only 16 days left before the opening of the Asian Games. Chinese athletes will soon participate in various contests of the Asian Games. Li Tieying said: "The motherland and the people are waiting for news of victory from you good athletes."

Chen Xitong, state councillor and chairman of the Asian Games Organizing Committee, said at the mobilization meeting: At the games, Chinese athletes are hosts as well as athletes. You should put more stress on friendship and

make more friends. You should joyfully enter the Asian Games Village and participate in competition with undivided attention.

Wu Shaozu, minister of the State Physical Culture and Sports Commission and executive chairman of the Asian Games Organizing Committee, pointed out: Chinese athletes' objective in participating in the Asian Games is to "score achievements in both sports and spiritual civilization." He set five requirements for the Chinese sports delegation to meet: 1) It is necessary to eliminate excess mental baggage, go into battle with a light pack, and overcome all interference and pressures, and athletes should conscientiously play each ball well and score every possible point; 2) it is essential to make rational competition and pre-competition plans with a scientific approach in order to enable athletes to participate in competition in their highest spirit and best technical shape and condition; 3) it is necessary to strengthen political and ideological work in order to make full use of our favorable political conditions; 4) efforts should be made to step up education in decorum and courtesy; athletes should always be friendly, warm, and polite, and no incidents detrimental to personal dignity or national pride should be allowed to occur; and 5) it is necessary to strengthen control and discipline and prevent the decrease in number of competing athletes as a result of meaningless accidents, injuries, or illness.

Luo Gan, secretary general of the State Council, also attended the mobilization meeting.

#### Deng Blamed for Increase in Party Corruption

HK0809010190 Hong Kong SOUTH CHINA  
MORNING POST in English 8 Sep 90 p 10

[By Chris Yeung]

[Text] Patriarch Mr. Deng Xiaoping has been blamed for the worsening corruption within the Communist Party by party elder Mr. Chen Yun.

Mr. Chen, 86, reportedly made the criticism of the retired leader, also 86, during a series of meetings with senior Zhongnanhai leaders.

Mr. Chen said the corruption within the 44-million member party was the worst it had been since it was established 70 years ago and was the main cause of the pro-democracy movement's rise last year.

According to the latest issue of the mirror Monthly, Mr. Chen has repeatedly warned Mr. Deng that party corruption would stir up public hatred and cause serious damage to society.

"Now that corruption within the party has grown, morale is low and the public disappointed, Chen Yun maintains that Deng Xiaoping has to bear the major responsibility," the report said.

Claiming that the two former party heads, the late Mr. Hu Yaobang and the disgraced Mr. Zhao Ziyang, have



had "unshirkable responsibilities" for the spread of party corruption, Mr. Chen reportedly said the leadership, including himself, was also to blame.

The report quoted sources as saying Mr. Chen and another arch-conservative, Mr. Peng Zhen, called for a party clean-up during a Politburo meeting in 1982 in the face of growing corruption.

Without mentioning names, it said somebody had disagreed and maintained promotion of a clean government, enhancement of socialist ideals and values, and strengthening of party unity and discipline might affect the reform policy.

Mr. Chen insisted the development of socialist democracy and rule of law was crucial to whether the goals of the reform policy could be attained.

"The deviance and negligence of the rule of law is the root cause of the problem of party corruption and the loss of public trust," the party elder reportedly said.

The report quoted senior officials from Beijing, Shanghai and Hangzhou as saying Mr. Chen's remarks clearly indicated that the elder maintained that the spread of bourgeois liberalisation was the external factor leading to party corruption.

Corruption and erosion within the party as well as the lack of any move to deal with it were the major cause, it said.

Mr. Chen's remarks cleared the air over speculation that he and other party elders have had differences over the June 4 crackdown.

"It ascertained the main cause of last year's student movement was party corruption, which stirred up student protests and in the end, the support of the masses," it said.

In another article, the magazine said that concern had grown among the party hierarchy on whether the 83-year-old State President, Mr. Yang Shangkun, should keep his portfolio as the first vice-chairman of the party's Central Military Commission (CMC) while his brother, General Yang Baibing, was a CMC member.

Under the party rule recently issued by the Central Commission for Discipline Inspection and personnel departments, family members of heads or deputy heads in party and government units, discipline inspections bodies, public security bureaus and courts should not work in the same units.

The new rule was drawn up by Mr. Deng in a bid to curb nepotism and factionalism in the party and government organs.

### Jiang Zemin Views Importance of Water Resources

HK0909084090 Beijing RENMIN RIBAO in Chinese  
29 Aug 90 p 1

["Jiang Zemin, Chen Yun Write Comments on an Article, Stressing Importance of Water Resources"]

[Text] Beijing, 28 Aug (RENMIN RIBAO)—General Secretary Jiang Zemin and Comrade Chen Yun not long ago wrote important comments on an article entitled "The Problem of Water Resources in China and the Solution to the Problem." General Secretary Jiang Zemin wrote: "It is necessary to seriously study the question of water when drafting the Eighth Five-Year Plan. Foresight is necessary as one should repair the house before it rains." Comrade Chen Yun wrote in his comments: "Comrades Zhang Guangdou and Chen Zhikai put forward some important opinions after they seriously studied the question of water resources in our country. The question of water is always an important one. It is necessary to understand the seriousness of this question from the high plane of strategy. The leading departments, especially those in the economic, scientific, and technological fields, should attach importance to the planned use of water, economizing on water, treating waste water, and opening up new water resources as importance is attached to grain production and energy supply. This should be included in the long-term development programs, the five-year plans, and the annual plans, and the serious conditions of the water resources crisis should be gradually changed."

The article "The Problem of Water Resources in China and the Solution to the Problem" was written by Professor Zhang Guangdou of Qinghua University, who is also an academician of the Chinese Academy of Sciences, and Chen Zhikai, director of the Water Resources Institute under the Water Conservancy and Hydropower Research Institute.

### Thousands Mark Anniversary of Mao Zedong's Death

OW0909140290 Beijing XINHUA in English  
1351 GMT 9 Sep 90

[Text] Beijing, September 9 (XINHUA)—More than 16,000 people paid their respects to the remains of Mao Zedong in the Chairman Mao Memorial Hall on Tiananmen Square by 10:30 this morning.

Today is the 14th anniversary of the death of the late Chinese leader.

Many people, including those from other parts of the country, were waiting in front of the hall which opened at 8:30 a.m.

A hall official told XINHUA that some 60 million people, including 1.8 million foreigners, have visited the memorial hall since it opened in September 1977.



During the summer when students were on vacation, an average of 30,000 to 40,000 people came to visit the hall, the official said.

Among today's visitors were Mao's relatives and some who once worked in his office.

#### **Wang Zhen Greets Teachers on National Day 9 Sep**

*OW0909121390 Beijing XINHUA in English  
1203 GMT 9 Sep 90*

[Text] Beijing, September 9 (XINHUA)—Chinese Vice-President Wang Zhen today sends a message to all Chinese junior school teachers congratulating them on the Teachers' Day, which falls on today.

Wang, also council president of the China Award Foundation for Junior School Teachers, recalled in his letter that education has developed greatly since the People's Republic was founded in 1949. Over the past decade, the Chinese Communist Party Central Committee and the State Council have attached greater importance to education, he said.

While encouraging teachers to devote themselves to their work, Wang said, earnest efforts should be made to raise teachers' social status and their payments.

He said that teachers' wages should be raised higher than the average of other government employees, and that medical care, pensions and insurance systems should be established to encourage teachers to remain on their posts all their lives.

### **Military**

#### **Yang Baibing on Training Qualified Personnel**

*OW0909083190 Beijing XINHUA Domestic Service  
in Chinese 1438 GMT 8 Sep 90*

[Text] Beijing, 8 Sep (XINHUA)—"The CPC Central Committee attaches great importance to the education of young people and children. Keeping in mind the demands of national and Army construction, comrade teachers should strive to train qualified personnel who are dedicated to the motherland and its people and are loyal to the party." These remarks were made by Yang Baibing, secretary general of the Military Committee and director of the Army's General Political Department, at a meeting on 6 September with representatives of teachers of colleges, schools, and kindergartens directly under Army units stationed in Beijing.

Yang Baibing said: The training of qualified personnel should start from the cradle. As education has an important bearing on the destiny of the party and the state, the vast number of teachers should enhance their sense of responsibility toward history and adhere to the correct direction in managing schools. In training young people to meet future needs, it is necessary to strengthen education on national conditions and revolutionary traditions among youngsters so that they will foster noble

ideals and become competent successors to the cause of revolution. Leaders and organizations at all levels should spare no effort in making intellectual investments and creating better working conditions for the vast number of teachers.

Zhou Wenyuan, Yu Yongbo, and Li Jinai, deputy directors of the General Political Department, were present at the meeting. After the meeting, Li Jiyuan and senior officials of the General Political Department's relevant units attended a discussion session with teachers' representatives.

#### **General Visits Teachers at Military Academies**

*OW0909045990 Beijing XINHUA Domestic Service  
in Chinese 1244 GMT 8 Sep 90*

[By correspondents Yin Ying (1377 5391) and Jin Ying]

[Text] Beijing, 8 Sep (XINHUA)—Braving an autumn drizzle, Chief of Staff General Chi Haotian and his deputies, General Xu Xin and Lieutenant General Xu Huizi, visited the Antichemical Warfare Command Academy and the Langfang Artillery and Guided Missiles Academy this morning. They extended greetings and warm regards to the faculty members, who had worked hard in their teaching jobs throughout the year.

Chi Haotian immediately went inside a classroom to meet and hold discussions with some faculty members upon his arrival at the Antichemical Warfare Command Academy, which is located at the foot of the Great Wall. He commended the faculty members for having achieved tremendous gains in teaching under harsh conditions during the discussions. He asked them to follow international developments, to fully recognize the status and role of antichemical warfare troops in future war and national construction, and to put the troops to good use in order to contribute to the cause of bolstering national defense and promoting economic development. Chi Haotian and his entourage went to the auditorium and met with all the faculty members, who were attending a meeting there, after the discussions. They then watched antichemical warfare equipment and training at the outdoor practice range, visited the physics and chemistry laboratories, and heard briefings. Deeply concerned about the living conditions of the faculty members, Chi Haotian paid personal visits to the homes of Zhao Guohui, a renowned chemical expert and senior professor in the Chinese military, and Liu Kezhong, a national model worker in the greening campaign and former deputy director for military training under the [People's Liberation Army's] General Staff Department who had made contributions to the academy's construction.

#### **Taiwan Buyers Refused Guns by Norinco**

*HK1009004190 Hong Kong SOUTH CHINA  
MORNING POST in English 10 Sep 90 p 10*

[From Daniel Kwan in Xiamen]

[Text] Taiwan buyers have tried, without success, to buy guns from China's largest arms dealer, China North Industries Corporation (Norinco), a senior official from the company said yesterday.

Mr Yu Fuzeng, the vice-general manager of Norinco's Xiamen branch, said the firm had been approached by some Taiwanese for firearms, but would not strike any illegal deals.

But he conceded that some of the firearms in Taiwan had originated from factories which formerly belonged to Norinco.

"As we change our production and close down some factories, some people may have stolen components from our factories and done the assembling themselves," he said.

"But Norinco has not sold any firearms to Taiwan nor to Hong Kong," he said.

Demand for mainland-made firearms such as the Black Star and Red Star pistols has risen greatly in Taiwan. Triads in Taiwan and Fujian Province have been active, with smuggling soaring over the past few years.

Most of the smugglers are well equipped in the "export" of mainland-made firearms to Taiwan, according to Chinese sources.

"We will not sell firearms to any buyers unless they can show us documents proving that they are legitimate arms buyers and the final destination of the merchandise," Mr Yu said.

He also said Norinco had gained from the Gulf crisis, because the demand for some defensive products had soared.

"Recently the demand for poison-gas masks in the international market has been quite tight," Mr Yu said.

Norinco has diversified into industrial production as part of the restructuring of China's defence system, he said.

More factories which formerly only produced for China's military system were now producing for the commercial market.

Norinco had more than 100 factories under its administration and most of them were large enterprises with the smallest employing more than 3,000 workers.

It also had seven universities and more than 20 research institutes responsible for research and development.

"While many of our factories are not producing weapons, we still retain a portion in case we need the supplies if we enter into wars with other countries," he said.

Norinco was willing to co-operate with foreign investors in exploring the international market.

It has formed a joint venture with a Taiwan businessman producing sweaters in Xiamen, Mr Yu said. "We are expecting to set up two more joint ventures in the near future."

But he declined to disclose the identities of the foreign investors and said they are light industrial production projects with an investment of less than US\$1 million (HK\$7.8 million) each.

### PLA Hospital Praises Returned Medical Experts

OW0909143190 Beijing XINHUA in English  
1405 GMT 9 Sep 90

[Text] Beijing, September 9 (XINHUA)—One hundred and five medical experts in the General Hospital of the People's Liberation Army (PLA) who had studied abroad were praised at a recent PLA meeting for their patriotism and their outstanding achievements in medical research, according to today's "GUANGMING DAILY".

After they returned from abroad, 89 of the 105 medical scientists had won 10 various prizes for their achievements in science and technology, the paper said.

The PLA General Hospital have since 1984 sent 158 medical workers to study and about 400 medical experts and scholars for academic exchanges in other countries.

The paper said that most of the returned medical experts and scholars have become leading professionals and leaders in their research subjects.

### Army Units Study Mao Zedong's Military Thinking

OW1009071390 Beijing XINHUA in English  
0557 GMT 10 Sep 90

[Text] Beijing, September 10 (XINHUA)—The military thinking of Mao Zedong has been the subject of renewed interest in the People's Liberation Army (PLA), the "PEOPLE'S DAILY" reported today.

Seminars on the subject have been held at the headquarters of 10 military area commands.

More than 600 academic papers on China's national defense policy, mode of military operations, the basic military principles of Mao Zedong and the role of Mao Zedong's military thinking in the PLA have been delivered at these seminars. The Academy of Military Sciences has awarded prizes to some 160 papers. Military commanders are giving priority to the study of Mao's works and encouraging the writing of papers on the subject.

According to the "PEOPLE'S DAILY," the renewed interest in Mao's military thinking is speeding the development of a modern army in China.

### More Women Pilots Trained in China

OW1009072790 Beijing XINHUA in English  
0711 GMT 10 Sep 90

[Text] Beijing, September 10 (XINHUA)—Although China has to pay as much as a pilot's weight in gold to train a pilot it has never stopped training women pilots.

Since China began to train women pilots in 1951, several hundred have been trained and as a result it has become one of the countries which has most women pilots in the world.

The women pilots can fly various kind of planes including superjets. Many women pilots are good at spraying farm chemicals, producing artificial rainfall and snow, sending relief to disaster areas, flying passenger airlines and in emergency dropping and airborne manoeuvres. Some of them have been promoted to aircraft commanders, aviation school teachers, commanders at the regiment and division levels, members of China's highest legislative body, the National People's Congress Standing Committee, and national models.

Currently, the sixth batch of women pilots totalling 37 are receiving training in an aviation school in Changchun, northeast China.

The new women recruits were selected last year from among 6,000 high school graduates who had all passed the national university entrance examination.

According to Bai Jingfeng, political commissar of the school, the women students, aged 17-20, are quick and smart and have a wide range of interests.

Bai, who has been a pilot for 24 years, paid high compliments to Liu Xiaolian, a woman pilot who in 1982 successfully prevented a severely damaged plane from falling into a valley and forced it land safely when the landing gear could not be put down.

Liu is now a regimental commander of the Air Force.

"Training women pilots is not only to raise women's social status. They are really talented," Bai noted.

After the women students graduate next May they will enter aviation or navigation colleges where they will spent another three years before getting an academic degree and first lieutenant rank.

According to Bai, 90 percent of the women students pass, and the failure rate is much lower than that of men students.

### Economic & Agricultural

#### Song Jian Attends Discussion on Metrological Law

OW0709112290 Beijing Domestic Service  
in Mandarin 0930 GMT 5 Sep 90

[From the "National Hookup" program]

[Excerpts] A forum was held in the Great Hall of the People today to mark the fifth anniversary of the promulgation of the Metrological Law. According to the forum, the Metrological Law has been implemented by and large, and the whole country will basically switch to statutory units of weights and measures by the end of this year. [passage omitted]

Leading comrades Yan Jici, Song Jian, Qian Xuesen and Xu Zhijian joined experts, scholars and economists in discussion at the forum this morning. [passage omitted]

#### Article Criticizes 'Local Protectionism'

HK0709095590 Beijing RENMIN RIBAO in Chinese  
27 Aug 90 p 2

[Article by Yan Wenguang (0917 2429 1639): "'Local Protectionism' Is the Social Basis of Extensive Management"]

[Text] Extensive management and operation constitute the cause and also the effect of the duplication of the industrial production structure in various localities.

Over a long time, our overall industrial policy did not attach importance to the principle of economic results, and laid lopsided stress on the principle of seeking the so-called evenness in the layout of industry. This became a major reason for the forming of extensive management and operation. The financial capacity of our country was limited. While the evenness of industrial layout in various localities was overemphasized, the limited funds would just be widely scattered. Each province might develop some industrial projects and form their own production system. In these circumstances, there would certainly be no intensive management and operation and no priority development.

While the industrial production structure in various localities tends to develop in the same mode, it is very likely that local protectionism appears as a result. This is because when one locality sees that the other locality is producing the same products, it is natural that the former will take measures to protect its own products. At the same time, local protectionism will inevitably further the degree of duplication in the production structure in various localities and make it hard to curb the trend of duplicated construction and duplicated import. Therefore, local protectionism will become the social basis of extensive management and operation. At present, in order to overcome the extensive mode of management and operation and to develop the intensive mode of management and operation, we should make an effort to overcome local protectionism. This is an important point in the in-depth reforms.

In order to realize the change to the intensive mode of management and operation, we must also change the idea of "giving priority to the evenness of industrial layout" in various localities and lay stress on "achieving the best economic results" and "coordinating industrial development in all parts of the country as an integrated



entity." The principle of fair competition in the commodity economy should be advocated in a big way, and industrial production and cooperation should be organized according to a high degree of specialization and according to the principles of carrying out compensable exchanges, supplying each other's needs, giving play to one's advantages, and evading one's weak points. Enterprise groups that transcend the limits of a single locality or a single trade (industry) or transcend the limits of a single ownership system should be established vertically and horizontally.

### Article Views Prospects of Labor Export

HK0809012490 Beijing JINGJI CANKAO in Chinese  
6 Aug 90 p 4

[Article by Zhu Shusen (2612 2885 2773): "One Should Not Be Optimistic About the Prospects of China's Labor Export"]

[Text] At present, surplus labor tends to be increasing daily around the world, and its growth rate has exceeded its demand. On the international labor market, supply, on the whole, is larger than demand, and this situation will continue and gradually become obvious. More and more surplus labor from developing countries will enter the international market, and therefore acute competition will be unavoidable. As far as labor-exporting countries are concerned, they will meet many more challenges than opportunities.

As for the actual national conditions of our country, our labor does not have more advantages on the international labor market.

By advantages we not only mean the advantage of cost. In fact, in recent years, the cost of primary labor on the international market has been decreasing, while ours has been increasing. In comparison with other labor-exporting countries such as India, Pakistan, and the Philippines, our country has lost the advantage of low cost. The overall quality of our country's surplus labor is comparatively low, and most of it is low-level primary labor. Large-scale export of primary labor is impossible once the advantage of cost is lost. However, one should see that the cost of our relatively high-level technical labor is more competitive compared to that of developed countries. On the international market, the demand for technical and management personnel possessing medium- and high-technical and expertise levels is increasing. However, one should also see that the absolute amount of our technical personnel is not excessive, in fact we have very few. Moreover, most of the technical personnel are the backbone on all fronts of economic development and production at home. What we should now do is to vigorously train comparatively-high-level and high-level personnel on the one hand, and make rational allocation and use of technical personnel on the other hand, so that they can be fully and effectively utilized. If we jump to the conclusion that we have excessive technical personnel and begin exporting them

in large numbers, we will obviously not only incur losses but also inevitably affect our own long-term development.

We should not overlook the influence of such factors as mutual harmony, suitability, and convenience in the social systems, economic structures, cultural traditions, and geographic locations between the labor-exporting country and the labor-importing country. In this aspect, we have no more advantages than others. On the American continent, North America exports capital and high-level personnel to South America, while South America exports large numbers of primary workers to North America, thus one supplements the other. The short-term farm workers of Mexico can basically solve the problem of the United States' labor shortages during farming seasons. Although labor shortages exist in many other occupations in many countries, they do not have to come all the way to find labor in our country to solve the problem. The whole of Europe is in a similar situation. The Middle East is the key market; we have seen relatively good results in project-contracting and labor cooperation there. Except for those working on particular contracts for foreign projects, we have only a few workers there in other types of cooperation. This is because, first, these oil-producing Arab countries offer jobs to other Arabs first when employment opportunities are created; and second, their identical or similar living environments, customs, habits, cultural backgrounds, and languages make it easier for large numbers of Arabs from other countries to find jobs there. They have more advantages especially in the various economic and social sectors where the capacity is large and where primary labor can be absorbed in small numbers. The workers and even most of the technical and management personnel we send overseas do not speak a foreign language, making it impossible for them to go any further without the help of an interpreter. The fact that our primary workers cannot carry on a basic conversation with their foreign employers limits the areas of mutual cooperation. This situation will not change in the future. The fact that the Philippines exports a great deal more labor than we do can be attributable to the important factor that the Filipinos speak English.

Therefore, one should be objective in estimating the export of our surplus labor.

No doubt it is very difficult to open up the market of developed countries and regions such as Western Europe, North America, and Japan. It is possible to place our labor in some sectors, but its overall scale will be very limited, having very little influence on the labor export structure of our country and on the import structure of the country concerned. Our labor-export scale in the Middle East will depend on the development trend of the international project-contracting market in this region. In view of the economic development of the Middle East and the oil price trend, our country's contracting on projects and scale of labor cooperation in this region can be expected to remain at the current level



or increase slowly. However, it would not be very likely for the number and scale of workers to increase considerably within a short time.

The Soviet Union is always attractive, being a "visible but unapproachable" potential labor-importing market. The development of the Far East and the Siberian regions is an old topic and also a very big one. Its influence far exceeds the extent of capital, labor supplementation, and the like. Large-scale development of the Far East and Siberian regions, viewed from the long-term strategic perspective, will not only have an extremely great bearing on the economic strength of the Soviet Union but also lead to changes in, or restructuring of the economic pattern of the whole of northeast Asia or even that of the world. This will naturally involve the interest distribution of numerous political and economic groups. It is foreseeable that large-scale development of the Far East and Siberian region will not depend solely on the Soviet Union's unilateral willingness, and will not be plain sailing. Moreover, such development involves a combination of projects influencing economic and social life, and requires stable and steady national and international environments. If the Soviet Union does not carry out such development projects and maintain the present economic status or an appropriate economic growth rate for its Middle Asian and East Asian regions, then the number of Chinese workers it needs will be very limited. Moreover, on the whole, the Soviet Union does not have the intention to increase the number of foreign workers. On the contrary, it will reduce the number. In short, the "visible but unapproachable" feature in the Soviet labor market will hardly change in the near future.

Taiwan, Hong Kong, and Macao have reservedly opened their labor markets to other countries, but for reasons known to all, and especially the mainland's special relations with them, every economic activity is subject more to the influence of the changes in the political climate. Large-scale labor export from the mainland to these regions will be unrealistic. It is also impossible to export large numbers of workers without restraints, to Hong Kong and Macao in the future when they have been returned to China, as we will have to take into consideration the maintenance of their economic prosperity and social stability.

Owing to the rapid economic development of Southeast Asian countries, they emphasize on the absorption of foreign capital, whereas the investment of developed countries has increased. Japan and the "four small dragons" are also shifting their labor-intensive industries to these countries, and the international project-contracting market of this region is gradually prospering. If we continue to deepen reform, improve various types of contracted management responsibility systems, timely adjust to the changing characteristics of the international market, our country will do well in project contracting in this region. However, since acute competition brings relatively big risks, and since our financial strength is limited, we should not expect too much of the number and scales of projects, and even less should we scramble

for them without considering the returns. Likewise, we should not expect too much of the number and scale of labor export to this region.

In conclusion, in the foreseeable future, and especially in the near future, the overall scale of our labor export through various channels will remain at the current level or increase slowly. There has not been any sign of great improvement in the situation. Therefore, labor export is an unrealistic means by which to digest the domestic surplus labor and lessen the pressure of unemployment.

#### **Tax Administrations Overhauling Collection System**

*OW0809073990 Beijing XINHUA in English  
0709 GMT 8 Sep 90*

[Text] Beijing, September 8 (XINHUA)—The State Administration of Taxation has decided to overhaul the country's tax collection and management system in a bid to check tax evasion and corruption.

According to the administration, the new system will separate tax collection from management and examination so that the three aspects supervise each other. Responsibilities for tax collectors and management personnel will be defined.

The new system has been introduced in Jilin, Hebei and Hubei Provinces and the city of Wuhan over the past three years on a trial basis. An official from the tax administration said that it has yielded good results, reducing tax evasion and corruption among tax collectors.

According to the administration, there are more than 500,000 tax collection and management personnel, responsible for collecting more than 30 kinds of taxes from more than 30 million tax-payers.

Director of the State Administration of Taxation Jin Xin said that the new system will not only reduce tax evasion but also be conducive to the building of a clean and honest government.

#### **Railway Development During Eighth Five-Year Plan**

*HK0709111990 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0845 GMT 24 Aug 90*

[Report by staff reporter Tian Huiming (3944 1920 2494): "China's Large-Scale Railway Development During the Eighth Five-Year Plan—An Interview With Sung Yongfu, Vice Minister of Railways"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 24 Aug (ZHONGGUO XINWEN SHE)—At the Ministry of Railways in Beijing, a giant map of China's railways was hanging on the wall of the office. Vice Minister of Railways Sun Yongfu, who is in charge of China's railway construction, described to this reporter the grand blueprint for railway development during the Eighth Five-Year Plan.

The 14-km-long Huanghe Railway Bridge, the longest bridge in Asia, will be built over the Beijing-Kowloon

railway. The 18-km-long Qinling Tunnel, China's first super-long tunnel, will be cut along the railroad from Xian to Ankang; and the "six arterial railroads" will be constructed on a large scale. The speed of China's railroad construction in the 1990's will leave a glorious page in the history of China's railroads.

Sun Yongfu briefed this reporter about the condition of the "six arterial railroads."

A 2,000-km-plus Beijing-Kowloon railway will be built between the Beijing-Guangzhou railway and the Beijing-Shanghai railway, which are the main railroads between the north and south. During the Eighth Five-Year Plan, a short railway will be built between Beijing and Jiujiang (the Beijing-Jiujiang railway), while during the Ninth Five-Year Plan, a long railway will be built between Beijing and Kowloon (the Beijing-Kowloon railway.) This is a stupendous project, spanning across the Huang He and the Chang Jiang and linking up provinces and cities such as Beijing, Hebei, Shandong, Henan, Anhui, Jiangxi, and Guangdong. The construction of this railroad can ease the strains on transport along the Beijing-Guangzhou railway and Beijing-Shanghai railway and will play a tremendous role in developing the economy of the regions along the lines and promoting opening up to the outside world.

Along the western Liaoning corridor, a third Qinhuangdao-Shenyang railway will be built to resolve the strains on transport from northern China to the north-eastern region, facilitating the flow of goods in and out of Shanhaiguan.

A major arterial railroad newly built in the northwestern region links up Baoji City of Shaanxi Province and Zhongwei County of Ningxia Autonomous Region. At present, there is only one railway, the Longhai railway, linking central China with the northwestern region. During the flood season, when cliffs and crags collapse frequently, railway traffic is blocked and suspended, affecting normal transportation. The completion of the Baoji-Zhongwei railway gives another major passageway to the link between the northwestern and the coastal regions and will play an important role in opening up oil and coal resources in the northwest and developing economy in the western region.

The Nanning-Kunming railway is another major passageway of iron and steel in the southwestern region. Stretching across the three provinces and autonomous regions of Yunnan, Guizhou, and Guangxi, it is 870-odd km long and runs parallel to China's southwestern frontier, with great significance not only to develop the economy of the three provinces and autonomous regions but also to consolidate frontier defense.

The Xian-Ankang railway in Shaanxi Province is a short-cut to Sichuan Province. It will pass through the Qinling Mountains with one single tunnel. The length of the railway tunnel is designed at 18 km. A tunnel of such length is the first of its kind in China and is seldom seen in Asia and even in the whole world.

The construction of the railway between Houma of Shanxi Province and Yueshan of Henan Province, which is the southern passageway for the transport of Shanxi's coal to other parts of China, will also be started shortly. Prior to this, China has already completed many railroads for the transport of coal, such as the Beijing-Qinhuangdao railway, the first-phase project of Datong-Qinhuangdao railway, the Taiyuan-Jiaozuo railway, the Shijiazhuang-Taiyuan railway, and the Yanzhou-Shijiazhuang railway, thus basically solving the problem of transporting Shanxi's coal to other parts of China. The construction of this southern passageway will play an important role in alleviating the demand for coal in central and southern regions.

After the completion of the abovementioned "six major arterial railroads," the layout of China's railway network will undergo a radical change and China's railway transport will enter a new phase. The Ministry of Railways is concentrating financial and material resources and assembling superior forces to get ready to repair bridges, build roads, and cut tunnels during the forthcoming Eighth Five-Year Plan, so as to make contributions to the major development of China's railways.

Vice Minister Sung Yongfu also disclosed: The testing of high-speed railways during the Eighth Five-Year Plan will be projected to an important position. At present, the Guangzhou-Shenzhen railway has been selected for technological transformation into a high-speed railway conforming to the national condition and financial strength. The speed of the train can be increased from 80 km per hour at present to 160 km per hour. We shall gather experiences through experiment and lay the foundation for the future development of high-speed railways at over 200 km per hour.

Sung Yongfu viewed: With the preferential policy of the railway contract system, the support of state industrial policies, and the excellent environment of reform and opening up, the grand prospect of railway construction as outlined in the Eighth Five-Year Plan will be certainly materialized. China's railway construction during the 1990's is sure to enter an age of rapid progress.

#### **New Minister Liu Zhongyi Views Agriculture**

HK0709134990 Beijing NONGMIN RIBAO in Chinese  
6 Aug 90 p 1

["Newsletter" by Central People's Broadcasting Radio Station reporter Ji Shuchun (4764 2562 2504) and NONGMIN RIBAO staff reporter Lin Fei (2651 5481): "Newly Appointed Agriculture Minister Liu Zhongyi Interviewed on Agricultural Development"]

[Text] The stagnation of agricultural production in recent years has made people more aware of the important role of science and technology in agriculture. After the CPC Central Committee and the State Council put forward the strategy of developing agriculture by means of effective policies, scientific and technological assistance, and investment, a vigorous campaign to "vitalize

agriculture through science and technology" has been on the upgrade. It is necessary to find out how to carry out agricultural vitalization through science and technology in a solid way, reap substantial results, and keep the vigorous campaign going. For this reason, we interviewed the newly appointed Minister of Agriculture Liu Zhongyi.

**Agricultural Vitalization Through Science and Technology Should Be Looked Upon With Regard to Whether the Agricultural Development Should Be Focused on Its "Intension" Or "Extension"**

"The agricultural development in our country, like industrial development, has come across this question: Where should the focus be, on the internal development, or the external? We cannot leave this question unanswered when trying to understand agricultural vitalization through science and technology." Minister Liu commented on the importance of agricultural vitalization through science and technology from a fresh angle. He said: "I think the focus of our country's agricultural development should be put on its intension. The reasons are as follows: First, our level of comprehensive productive forces is on the low side, for example, the middle- to low-yield farmland takes up about two-thirds of the total acreage of arable land across the country, and the per unit area yield ranks low among the world's major agricultural countries. Second, there are many inadequacies in completing and matching basic agricultural facilities, in providing agricultural production means, and in some other areas. If we can do well in these respects, we will be able to, on the basis of what we have now, further increase per unit area yield. As far as this is concerned, there are high potentialities. Of course this does not mean that "extension" is no longer necessary. Agriculture with an exploratory nature is also an important way to help production grow and strengthen stamina. But exploratory agriculture is money-consuming: Reclaiming wasteland, building complete water works, and carrying out construction projects, all need money. The financial capacity of our country at this stage does not allow large-scale engagement in exploratory agriculture. Furthermore, the acreage of wasteland that we may reclaim is also limited. Developing agriculture internally and increasing production by means of science and technology are investment-efficient and beneficial. Therefore, to maintain a steady agricultural development in our country for quite some time in the future, we should adopt the practical principle of focusing on the internal development of agriculture."

"What is the key to internal development? Science and technology is the answer. Raising land productivity and the ratio of output to investment means increasing per unit area yield and reducing material consumption, which can be achieved mainly through science and technology."

He said that vitalizing agriculture through science and technology may well be a solution to the low benefit of agricultural production and emulative price increases,

and a way out of this vicious circle. For example, a mu of land which used to produce 20 jin of ginned cotton now produces 100 jin. If the yield rises to 150 jin in the future with the price unchanged and investment increased somewhat, but not over one-third, then the output ratio to investment will increase. Another example is that an increase of 10 percent in the yield of paddy rice is not a problem by improving the rice genetically, with the area and investment unchanged. This way, the peasants may enjoy greater benefit with the same amount of investment.

**The Whole Process of Agricultural Production Should Be Organized With "Agricultural Vitalization Through Science and Technology" as the Key Link**

Liu Zhongyi said that vitalizing agriculture through science and technology involves all aspects of agriculture. Crop cultivation alone, without mentioning agriculture in a broad sense, includes, as Chairman Mao put it, eight aspects. They are: water conservancy, rational application of fertilizer, soil improvement, improved seed strains, rational close planting, plant protection, and improvement of farm implements. With regard to water conservancy, our country is affected by monsoons and its geographical features are very complicated; therefore, the general distribution of rainfall is uneven. Ours is irrigational agriculture and there are high potentialities in managing and utilizing water better. The coefficient of effectiveness of our irrigation system today is very low and the loss is heavy. Another problem is with chemical fertilizers. The actual utilization rate of the useful part of chemical fertilizers is about 25 to 35 percent, the bigger portion of them being washed away. On the one hand, we loudly complain that the output of chemical fertilizers is insufficient, yet on the other hand, we are so wasteful when using them. We want to possess more agricultural machinery and get more of a supply of diesel oil while many tractors are seen running on highways, which is a cause of heavy losses. If smaller vehicles for agricultural purposes are used instead, the use of oil can be reduced, traffic safety on highways can be better guaranteed, and the efficiency will be higher. Therefore, we should organize the whole process of agricultural production with agricultural vitalization as the key link.

What is meant by taking agricultural vitalization as the key link? It means, as Liu Zhongyi explained, doing a good job in the following three respects: First, creating requisite conditions for scientists and technicians. Second, putting material investment into it. Science and technology are not all software. They themselves are software but they need hardware as a carrier. Scientific and technological dissemination should be integrated with investment. Third, scientific management. When these are well done, science and technology will genuinely become real agricultural productive forces and, subsequently, social wealth. That is to say, we should popularize advanced science and technology on the one hand, and manage and use well the agricultural goods and materials we have now on the other hand, which



means integrating the popularization of scientific and technological achievements with modern management.

**The Focus of Vitalizing Agriculture Through Science and Technology Is Popularization; the Focus of Popularization Is Organization and Leadership**

When talking about popularizing scientific and technological achievements, Minister Liu said: "The scientific and technological achievements in our agricultural sector are in large quantities, but many of them are confined to laboratory or dissertational contexts, or at most implemented in a small area with inadequate popularization. What we lack is not scientific and technological achievements but popularization of them, as we do have a lot of the former. The reason is the inadequacy in our popularization system and training.

He said: In order to carry out agricultural vitalization in a truly solid way, we should, apart from relying on the broad ranks of scientists and technicians and giving play to their role, also rely on local governments and their organizational function, mobilize the masses, and bring the initiative of peasants into full play. He held that what requires greater efforts today is the popularization and dissemination of applied sciences. It is necessary to gradually set up science-technology popularization networks and centers all across the country, including technical contract and the posts of deputy county magistrate and deputy township head in charge of scientific and technological affairs, so that scientists and technicians can be integrated with administrative leaders. It is not right to ignore, still less to deny, the important role of administrative organizations and leadership in developing economic technology. A scientist or technician endorsing something at the grass-roots level by himself is unlikely to have a good audience. If he is a deputy county magistrate in charge of scientific and technological affairs, he has a say in the government and, after the government makes a decision, will be able to organize and lead people at lower levels to do what is required in accordance with administrative procedures. In the vast rural area, we should combine the administrative organization and leadership with scientific and technological forces, and carry out popularization on the basis of this combination. This is something very concrete that governments at various levels can do in serving the people.

Minister Liu expressed his appreciation for the great efforts that the State Science and Technological Commission, the Chinese Academy of Sciences, the Ministry of Agriculture, the Chinese Academy of Agricultural Sciences, and some other departments have made in vitalizing agriculture through science and technology in recent years, and the many achievements they have obtained. He also maintained that vitalizing agriculture through science and technology is still at its initial stage at the moment. Things are good in some places or with some particular items, but some aspects are still very primitive. Liu said that when he was in the old liberated area of Jinggang Shan not long before, he had noticed that the peasants there really had nothing. They only

worked on a few mu of land. They could not raise pigs because they had no grain (to feed them). Raising some chickens should be all right, but when a plague came, all died. This problem can be easily solved by our scientists and technicians. Some medicine and a few injections will fix that. No one is popularizing this technique, and the peasants cannot but feel helpless. This has nothing to do with hi-tech. Now we see that the pressing matter of the moment is how to make full use of the existing conditions and materials.

Finally, Minister Liu Zhongyi stressed: "All in all, revitalizing agriculture through science and technology has been much talked about nowadays, but substantial implementation is far from ideal. Just like the principle of taking agriculture as the base: No one is against it and everybody is loudly chanting it. When it comes to real implementation, the energy put into it and the effect seem to be inadequate. Vitalizing agriculture through science and technology requires much organizational work and investment. It will not become reality if we just utter some empty words. We should use the limited amount of investment where it is most needed. In addition, we should not think that vitalizing agriculture through science and technology invariably means importing something. In fact, the fine farming traditions and techniques of China, such as biological insect-killing, utilization of farm manure, and intensive cultivation, are much admired by foreigners. Some of the scientific and technological achievements from other countries are not applicable here. What we should put most of our effort in is raising the productivity of land, lowering cost, upgrading quality, and increasing economic benefit."

**State Council Circular on Nonstaple Food**

*OW0809074090 Beijing XINHUA Domestic Service in Chinese 0847 GMT 6 Sep 90*

[Text] Beijing, 6 Sep (XINHUA)—The State Council recently issued a circular urging all provincial, autonomous regional, and municipal people's governments, as well as all the ministries, commissions, and other organizations directly under the State Council to improve their work in the production and marketing of nonstaple foodstuffs in the cities.

The State Council's circular states: In recent years, the state has taken a series of important measures to restructure the production and marketing of nonstaple foodstuffs. It has also readjusted the pricing policy for major nonstaple foodstuffs. Governments at all levels have launched numerous initiatives to assist production and stabilize the market. In addition, large and medium-sized cities have energetically carried out the "food basket project." All this has effectively improved the production and supply of nonstaple foodstuffs. The current situation in the production and marketing of nonstaple foodstuffs is good. Residents in urban areas are quite satisfied with the supply of nonstaple foodstuffs. However, it should be noted that problems still



exist. These include low consumption levels in urban and rural areas, inadequate overall supplies, structural shortfalls, drastic fluctuations in production and marketing, and weak infrastructure that fails to serve production needs. Other problems include incomplete reforms of the production and marketing structure, excessive state subsidies, and some potentially destabilizing factors in the production of nonstaple foodstuffs.

The circular calls for doing an effective job in the following 12 areas:

1. Define the tasks involved in the production and marketing of nonstaple foodstuffs. During the "Eighth Five-Year Plan" period, the major tasks involved in the production and marketing of nonstaple foodstuffs include continuing efforts to deepen reforms, straightening out prices, improving marketing and management mechanisms, fortifying infrastructure and the circulation structure, and striving to stabilize production and supply growth through scientific and technological progress. In addition, efforts should be made to provide consumers with correct guidance, to establish an initial pattern that is consistent with China's realities for the production and consumption of nonstaple foodstuffs, and to maintain basic stability in marketing and pricing. To this end, it is necessary to carry on the various effective principles and policies of the "Seventh Five-Year Plan," to continue to mobilize forces in all segments of society to implement the "food basket project," and to improve the production and supply of nonstaple foodstuffs in large and medium-sized cities.

2. Carry on the effective production principles for nonstaple foodstuffs. In animal husbandry, it is essential to uphold the principle of integrating diverse and specialized operations. Production by farming households should be stabilized, while specialized production on a moderate scale should be developed. In vegetables production, it is necessary to follow the principle of obtaining supplies mainly from closer suburban areas, targeting the outer suburbs as supplemental supply areas, facilitating the interregional flow of vegetables, and ensuring supplies. It is also essential to stabilize and readjust the current acreage sown to vegetables, and to concentrate on raising per-unit yield, increasing variety, and ensuring steady marketing. In aquatic production, it is necessary to carry on the principle of linking breeding, fishing, and processing, with the focus on breeding. Efforts should also be concentrated on developing aquatic breeding and deep-sea fishing, as well as protecting and making rational use of inshore fishing resources.

3. Maintain all ancillary policies. The various policies of the "Seventh Five-Year Plan" period to support the production and supply of nonstaple foodstuffs should be maintained during the "Eighth Five-Year Plan" period.

4. Deepen price reforms for nonstaple foodstuffs. In readjusting prices of nonstaple foodstuffs, it is necessary to adhere to the principle of combining relaxation with

restriction. Price reforms should be conducted in a planned and systematic manner. In order to maintain basic stability in the prices of nonstaple foodstuffs, all localities should encourage state-run commercial stores to play their roles of stabilizing the market and rolling back prices.

5. Reforms to integrate the production and marketing of nonstaple foodstuffs should be continued. It is essential to vigorously promote and pursue all kinds of operations integrating production and marketing.

6. The "food basket project" should be further strengthened. In carrying out the "food basket project," it is necessary to follow the principle of taking local conditions into consideration, drawing up overall plans, and establishing rational patterns. Consideration should be given to the common needs of production and marketing areas, production and circulation, and reform and development. It is essential to prevent repeated construction of similar installations, and to fully utilize existing facilities.

7. The circulation structure for nonstaple foodstuffs should be strengthened and improved. City authorities should build and improve wholesale markets in a planned manner to provide peasants entering the cities with venues for selling major nonstaple foodstuffs. In areas where nonstaple foodstuffs are produced intensively, wholesale markets should be set up to resolve the problems facing thousands of individual producers and large market operators. The construction of country fairs, which now play an increasingly important role in supplying nonstaple foodstuffs to urban areas, should be carried on in accordance with local city planning schemes. It is essential to improve services and facilities at country fairs as a way of linking up with wholesale markets.

8. Funds for the construction of production facilities for nonstaple foodstuffs should be raised extensively. In raising money for the construction of production facilities for nonstaple foodstuffs, it is necessary to pursue the principle of collecting funds through various channels, mainly from local financial resources. For the construction of national production bases and infrastructure for nonstaple foodstuffs, the state will make proper arrangements in conjunction with the "Eighth Five-Year Plan."

9. Socialized services should be enhanced. It is essential to further improve integrated services before, during, and after production. All localities and relevant departments should increase input into science and technology, speed up scientific research on the production and circulation of nonstaple foodstuffs, and vigorously promote foreign and domestic management methods for science and technology that are advanced and practical.

10. Vigorous development of the feed industry should be continued. In developing the feed industry, it is necessary to follow the principle of stressing the development of both production and resources. In the area of cultivation, it is essential to increase the number of feed crops,

so as to gradually establish a cultivation pattern comprising grain, cash, and feed crops. In animal husbandry and aquaculture, it is necessary to develop grain-saving production, in which limited amounts of grain are used to produce as many livestock farming and marine products as possible.

11. A rational consumption pattern for nonstaple foodstuffs should be established. Given China's slim prospects for substantially raising per capita grain quotas, the primary solution to the problem of increasing animal products lies in raising herbivorous animals, or animals that consume less grain. It is essential to promote the production of goods derived from poultry, cattle, goats, sheep, and marine animals, through readjustment of the product mix and introduction of pertinent policies. Deep-sea fishing should be energetically developed. In addition to increasing the production and supply of animal products, it is necessary to extensively develop and exploit resources of plant protein.

12. Leadership over the production and marketing of nonstaple foodstuffs should be strengthened. Governments at all levels should improve their understanding and effectively strengthen leadership over the production and marketing of nonstaple foodstuffs. City mayors should assume full responsibility for work in this regard. They should take prompt actions to coordinate efforts to

resolve problems. Their performances in this connection should be used as major criteria for evaluating their overall job performances.

#### **Aerial Sowing Increases Pastureland Acreage**

*OW0709151890 Beijing XINHUA in English  
1417 GMT 7 Sep 90*

[Text] Xining, September 7 (XINHUA)—China has spent 180 million yuan to create 1.3 million ha of pastureland by aerial seeding over the past 10 years.

To date, aerial seeding for pastureland has been applied in 412 counties in 24 provinces, autonomous regions and municipalities.

Li Yutang, an official from the Ministry of Agriculture, said that the pastureland created by aerial seeding can generate an estimated additional 420 million yuan every year from livestock raising.

Over the past 10 years China has succeeded in growing or upgrading a total of 10 million ha of grassland.

But, Li added, the country's grasslands are being threatened by degeneration; every year some 1.3 million ha of grasslands become arid.

## East Region

### Henan Students Urged To Study Marxism

HK1009035190 Zhengzhou Henan Provincial Service  
in Mandarin 2200 GMT 6 Sep 90

[Excerpts] The provincial party committee secretary pointed out that college students of the present age should assiduously study Marxism and persistently apply it while studying hard to raise their educational level. Only by so doing will they be able to shoulder the glorious mission that history has entrusted to them and live up to the expectations of the party and the people.

Hou Zongbin made these remarks at a meeting attended by model university students in the study of Marxism-Leninism, which was held in Zhengzhou on 6 September. Advanced students in the study of Marxism-Leninism from 14 universities and colleges, secretaries of party committees, the Communist Youth League Committees of 20 universities and colleges, and relevant comrades from departments concerned directly under the provincial authorities were invited to the meeting. [passage omitted]

Comrade Hou Zongbin also pointed out that in the more than one year since the disturbance which took place at the turn of spring and summer of 1989, an upsurge of learning Marxist theory has emerged among university students in Henan. [passage indistinct]

### Shandong Party Secretary on CPC Leadership

SK1009014090 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 8 Sep 90

[Text] On the afternoon of 8 September, a number of professors and students of higher educational institutions in the city of Jinan, including the Shandong Engineering University, the Shandong Medical University, and the Shandong Normal University, got together in the auditorium of the Jinan diesel engine plant to hear the report given by Jiang Chunyun, secretary of the provincial party committee, on upholding the CPC's leadership.

Attending the meeting were Miao Fenglin, member of the provincial party Standing Committee and director of the propaganda department under the provincial party committee; Ma Zhongcai, member of the provincial party Standing Committee and secretary general of the provincial party committee; Yan Qingqing, vice chairman of the provincial People's Congress Standing Committee; and relevant comrades from the provincial Communist Youth League [CYL] Committee, the provincial Education Commission, and from a number of higher educational institutions.

Comrade Jiang Chunyun's report is composed of the following three parts: 1) Upholding the CPC's leadership represents the certainty of China's historical development and the correct choice. 2) Only the CPC is an

advanced political party which can represent the orientation of social historical development. 3) If we negate or discard the CPC's leadership, we will certainly bring about a great retrogression of China's history.

After describing the humiliating history since the Opium War, Jiang Chunyun pointed out in his report that harsh reality has shown that if we want to defeat the strong forces of imperialism and its lackeys in China, we must develop the forces of the most advanced working class, mobilize the broad masses of peasants who are the overwhelming majority of the Chinese population, inspire the broad masses of intellectuals, and unite with the national bourgeoisie and all the forces that may possibly join in the revolution in order to form the most extensive and strongest revolutionary front. Only the CPC can fulfill the above mentioned tasks.

In his report, Jiang Chunyun pointed out that since liberation, China has scored great achievements which attracted worldwide attention and achieved vigorous development in scientific and technological undertakings, and that the people's lives in terms of both material and culture across the country has undergone profound change. Therefore, we are totally proud and have reason to say that the CPC really is worthy as the leading core of Chinese revolution and construction as well as the most loyal and qualified representative of the Chinese nation, the interests of the people nationwide, and as the central force on various fronts. By negating or discarding the party's leadership and following the capitalist road, we will only bring about the great retrogression of history.

On the issue of intellectuals, Jiang Chunyun stated in his report that our party always contends that the broad masses of intellectuals across the country support the party's basic line, the four cardinal principles, and reform and opening to the outside world; and their ranks are outstanding and ardently cherish the socialist motherland and are able to make significant contributions to the four modernizations. He also stated that the party's policy of respecting knowledge and talented personnel and the series of measures formulated in line with the policy has not changed and will never be changed. He urged the broad masses of young intellectuals, particularly college students who represent the most educated elements of contemporary youth and are the country's future and hope of China, to resolutely take those things in the interests of the party and the people as the first criterion in the ideology, politics, and action while vigorously doing a good job in studying science and cultural, uphold the four cardinal principles by taking a clear-cut stand, oppose bourgeois liberalization, and strive to be the new successors of socialist and Communist causes.

**Memorial for Former Shandong Official Held**

SK0709072990 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 6 Sep 90

[Excerpt] A memorial for Comrade Feng Lizu, former vice chairman of the Shandong Provincial People's Congress Standing Committee and member of the leading party group, was held at the Yingxiongshan cemetery of revolutionary martyrs in Jinan on the afternoon of 5 September. Comrade Feng Lizu died of an incurable disease in Jinan on 18 August 1990 at the age of 64.

Song Renqiong, Yang Dezhi, Gu Mu, Tian Jiyun, and the Shandong Provincial CPC Committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress Standing Committee, the provincial government, the provincial Committee of the Chinese People's Political Consultative Conference, the provincial Higher People's Court, and the provincial People's Procuratorate, and the hometown and friends of Comrade Feng Lizu sent wreaths.

The memorial was presided over by Ma Zhongchen, deputy secretary of the Shandong Provincial party committee. Xiao Han, vice chairman of the provincial People's Congress Standing Committee and deputy secretary of the leading party group, gave a memorial speech. [passage omitted]

**Jiang Chunyun Inspects Art Festival**

SK0909071790 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 6 Sep 90

[Excerpts] On the afternoon of 5 September, Jiang Chunyun, secretary of the provincial party committee, and Ma Zhongchen, deputy secretary of the provincial party committee, made a special trip to Zhangdian to attend the China Zibo pottery and glazed products art festival. In the evening, Jiang Chunyun and Wang Huaiyuan, secretary of the Zibo City party committee, accompanied Li Desheng, member of the Standing Committee of the Central Advisory Commission, to the Zibo Pottery Park to watch this autumn's lantern show with domestic and foreign guests and thousands upon thousands of people. Wherever he went, Jiang Chunyun asked with great interest the meaning of the lanterns. Comrade Li Desheng also said excitedly: This lantern show is good because it uses art to make friends and carry out economic and trade activities.

On the morning of 6 September, Jiang Chunyun and Ma Zhongchen came to the economic and trade fair of the China Zibo pottery and glazed products art festival to see the pottery and glazed products as well as some brand-name and new products on display. At the pottery exhibition site, Jiang Chunyun and Ma Zhongchen viewed the products and held talks with (Wang Erxiao), manager of the provincial ceramics company. Jiang Chunyun said: In order to open up domestic and foreign markets for these products, the quality of the products

must be good and prices must be reasonable so that they will be competitive. [passage omitted]

At the glazed products exhibition room, Jiang Chunyun watched a ceramics painting demonstration. He said to leaders of Zibo City: It is more difficult to paint on ceramics than to paint on paper. You should give appropriate professional titles to these comrades. During their more than one hour long tour of the exhibition site, Jiang Chunyun and Ma Zhongchen looked at the economic and trade fair of the China Zibo pottery and glazed products festival very carefully. At the end of their tour, a reporter asked Jiang Chunyun to talk about his impressions of the exhibition. He said: Seeing the lantern show of this autumn and the economic and trade fair, I deeply feel that the China Zibo pottery and glazed products art festival is well organized and very successful. The economic and trade fair in particular made a very deep impression on the people. In the past, Zibo was known for its heavy industry. Now, it has developed the light and textile industry. I am very pleased after seeing the exhibits. I am convinced that Zibo City will be in a position to achieve greater development on this foundation and will satisfy market demands at home and abroad.

**Central-South Region****Guangdong, Fujian Prospects for Asian Cooperation**

OW0809191590 Beijing XINHUA in English  
1502 GMT 8 Sep 90

["Roundup: South China's Gold Coast Shows Bright Prospects for Asia-Pacific Cooperation"—XINHUA headline]

[Text] Guangzhou, September 8 (XINHUA)—The coastal regions of south China, mainly Guangdong and Fujian Provinces, show bright prospects for Asia-Pacific co-operation.

Since China instituted the policy of opening to the outside world in 1979 Guangdong Province has pioneered co-operation with the neighboring regions of Hong Kong and Macao.

At present, about 70 percent of manufacturing enterprises in Hong Kong have established co-operative factories in Guangdong and other provinces of China. In the Pearl River delta, southern Guangdong, about two million workers are processing or assembling products for Hong Kong businesses. In 1989, Guangdong processed and assembled products worth 12.56 billion U.S. dollars for overseas businesses, of which 90 percent were Hong Kong enterprises.

On the other hand, among the 11 billion U.S. dollars of overseas investment in Guangdong, 75 percent came from Hong Kong.

Local economists said that the co-operation has combined Hong Kong's funds, marketing, management and



technical advantages with the low cost of labor and land in Guangdong to expand exports of labor-intensive products. This is one of the main factors helping Hong Kong to maintain its competitiveness on the international market.

Moreover, the dramatic increase of exports from the Chinese mainland and expansion of overseas investment in the mainland has strengthened Hong Kong's position as an entrepot and international financial center, which has contributed much to Hong Kong's average nine percent annual economic growth rate in the past four years.

For Guangdong Province, the funds, expertise and management from overseas businesses have been a propellant for its economic growth. Guangdong has maintained the position of leading exporter in China for four years. Its exports reached eight billion U.S. dollars worth in 1989.

Local authorities noted that about one quarter of Guangdong's gross domestic product has been materialized through international exchanges, which yields a same proportion of the revenue for the province.

On prospect of the cooperation, Chinese and overseas experts considered that Asia-Pacific region will play a greater role in the world economy and the coastal regions and Hong Kong should make joint efforts to upgrade existing industries and develop new industries, especially the high-technology sector.

A report of the World Bank estimated that the trade volume of the Asia-Pacific region will account for 40 percent of the world total by 2000.

Professor Zheng Deliang, an economist at Zhongshan University noted that the gap between Hong Kong's per capita GNP and that of developed countries has narrowed rapidly while Hong Kong's technological progress lags behind of other newly industrialized countries and regions. As a result, Hong Kong's competitiveness and yield of investment has been lowered.

Jack So, executive director of the Hong Kong Trade Development Council, agreed Professor Zheng's view and considered that Hong Kong's trade development depends on its progress in high-technology fields.

The International Research Institute of Stanford University considered that the cooperation between Hong Kong and south China can be taken as an important measure for further development and playing a bigger role in the international economic arena.

Local economists said that the Chinese mainland has advantages in a number of scientific and technological fields and Guangdong Province can provide the necessary technological forces to develop research achievements into products while Hong Kong has a strong capacity to collect funds, improve design and package and develop international market.

Therefore, the cooperation will be an effective means for Hong Kong to shift from its low value-added industries to high value-added industries while avoiding recessions which occurred in other countries and regions due to the shift.

Chinese officials said that in addition to Guangdong, other coastal areas are increasingly attractive to overseas investors for the similar reasons. For instance, a growing number of businessmen from Hong Kong, Taiwan, Japan and other countries and regions are investing heavily in real estate in Shanghai city, Hainan, Zhejiang, Shandong and Fujian Provinces. In Shanghai, the Hongqiao Economic Development Zone and an American company have signed an agreement to develop an international business town, in which the American business has planned to invest 200 million U.S. dollars. In Fuzhou—capital of Fujian Province, 23 Chinese-foreign joint ventures and 13 solely foreign invested companies have been set up with a combined investment of 645 million yuan.

"The heavy investment shows overseas businessmen's confidence as well as their commitment," local officials said.

To further facilitate overseas investment, local governments in Shenzhen, Zhuhai, Xiamen, Qingdao and other cities have adopted new measures to cut red-tapes, improve efficiency, solve difficulties and ensure supply of power, water, heat and raw materials to foreign-funded enterprises.

#### Lin Ruo Urges Aquatic Industry Development

HK1009051690 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 7 Sep 90

[Text] The provincial party committee secretary, Lin Ruo, called on party and government leaders in coastal areas of Guangdong to cherish the idea of seeking development by relying on coastal resources, developing the aquatic industry as the main front of attack, and striving to modernize management of the industry so that the province's production of aquatic products will take a new step forward.

He made the statement at the provincial coastal aquatic products work conference today.

He also said that Guangdong's aquatic industry still has great potential, a large area of the Nanhai Sea has yet to be exploited, and only a little over a million of the more than 3 million mu of reef along Guangdong's coastal areas have been developed. Lin Ruo proposed to set up a large ocean-going fishing team to explore all corners of the world. He also said that the prawn industry should be invigorated and all financial departments should allocate a certain amount of money to support the industry. He pointed out that it is necessary to have a solid understanding of the commodity aquatic industry and its special nature and all work should suit the needs of its development. Meanwhile, the purchase and marketing of

aquatic products should be carried out through different channels and not be monopolized by exclusive agents.

### **Henan Plenum on Clean Government, Malpractices**

*HK0709150090 Zhengzhou Henan Provincial Service  
in Mandarin 2200 GMT 5 Sep 90*

[Excerpts] On 4 September, the provincial government held its third plenary meeting which conscientiously studied the question of how to better do our provincial work of developing a clean government and straightening out malpractices in various trades and professions.

Vice Provincial Governor Hu Xiaoyun presided over the meeting and first relayed the speech made by Premier Li Peng at the telephone meeting held recently by the State Council on improving the development of a clean government and straightening out malpractices in various trades and professions.

Vice Provincial Governor Qin Kcai and Acting Provincial Governor Li Changchun successively delivered important speeches at the meeting.

Before the meeting, Comrade Li Changchun had called and presided over a leading party group meeting of the provincial government, which conscientiously studied Premier Li Peng's important speech and studied views and measures aimed at implementing to the letter the speech in the light of actual conditions of our province.

In his speech delivered yesterday, Qin Kcai summed up our province's clean government building situation in the previous period, analyzed the professional malpractices existing in a small number of departments and units of our province at present and put forward measures aimed at further strengthening clean government building and straightening out malpractices in various trades and professions in the future on behalf of the provincial government and its leading party group.

Qin Kcai said that over the past few years, especially since last year, in accordance with the spirit of the 4th, 5th, and 6th plenary sessions of the party, the provincial party committee and the provincial government have further strengthened the leadership, adopted more resolute and forceful measures, made some achievements in developing a clean government system, investigated and handled cases in which party and government cadres built private houses in violation of discipline and law as well as and other cases violating discipline and law, screened and rectified companies, corrected the indiscriminate levying of fines, charges, and apportionments, and banned party and government organs from using public funds for dinner parties, gifts, and extravagant and wasteful practices. However, malpractices in certain departments, trades, and professions still remain very serious to this day. [passage omitted]

Qin Kcai pointed out that the key to strengthening clean government and straightening out malpractices in various trades and professions lies in the leaders. The

provincial government decided that its leading party group will take charge of the work. Comrade Li Changchun will personally take charge of the work. All the vice provincial governors will be given specific responsibilities and will manage the work to the end. Moreover, the provincial office for straightening out malpractices in various trades and professions will be set up. Various departments directly under the provincial authorities and various cities and prefectures should also strengthen and successfully take command of this work in the manner of the provincial government. [passage omitted]

Qin Kcai said that straightening out malpractices in various trades and professions is an important move by which to develop a clean government. It is necessary to carry out broad and thorough propaganda and mobilization. With a foundation of heightening understanding, it is necessary to conscientiously examine and expose malpractices in various trades and professions, find out their root causes, and increase awareness about correcting malpractices in various trades and professions. In the meantime, it is necessary to do a better job in developing and implementing various rules and regulations and improve examination and supervision in this regard, firmly understand models, do a good job in making experiments, and provide guidance to work in the entire area. It is necessary to correctly implement policies and clearly define the focuses. As for departments directly under the provincial authorities, those affected are primarily law-enforcement departments, supervision departments, economic management departments, and public utilities, which maintain frequent contact with the people and masses. It is necessary to integrate correcting of malpractices in various trades and professions with the development of a clean government, improving government work efficiency, perfecting a management by objective responsibility system, and learning from Jiao Yulu. It is necessary to carry out an appraisal by means of comparison and emulation activities aimed at (winning) the Jiao Yulu Cup in organs directly under the provincial authorities in order to create an upsurge of learning by means of comparison, competition, and mutual help.

In his speech, Comrade Li Changchun stressed that it is necessary to further and continuously heighten understanding of the importance of developing a clean government and straightening out malpractices in various trades and professions. The provincial party committee put forth the guiding ideology of developing Henan by means of unity and efforts in all types of work. In order to hold aloft this banner, we must fully mobilize all the positive factors, unite, and work hard for prosperity. Moreover, Henan is still facing the arduous task of smoothing out (sentiments), mitigating social conflicts, and creating a relaxed environment for economic construction, an important aspect of which is to realistically improve the development of clean government in party and government organs and among cadres at all levels and resolutely straighten out malpractices in various

trades and professions. This is of great significance in Henan's attainment of the goal of development through unity and forward efforts.

Li Changchun pointed out that it is necessary to acquire a uniform understanding of the development of a clean government building and correcting malpractices in various trades and professions. [passage omitted]

Li Changchun stressed that in order to improve the development of clean government and correct malpractices in various trades and professions, it is necessary to strengthen leadership. [passage omitted]

At present, to successfully carry out this work, efforts must mainly be made in four links: Ideological education; system building; investigation and handling of typical cases; and integration with learning from Jiao Yulu activities.

Moreover, Comrade Li Changchun also made arrangements for the present government work.

Vice Provincial Governors Song Zhaosu, Hu Tiyn, and Yu Youxian and principal relevant persons of various departments of the provincial government attended the meeting.

Zhao Wenlong, vice chairman of the provincial people's congress, and Zhao Zhengfu, vice chairman of the provincial CPPCC committee, also were invited and attended the meeting.

### North Region

#### Beijing Mayor on Foreign-Funded Joint Ventures

SK0909065990 Beijing BEIJING RIBAO in Chinese  
10 Aug 90 p 1

[Text] At the municipal work conference on utilization of foreign capital, held by the municipal government on 9 August, Mayor Chen Xitong emphasized that in utilizing foreign capital, the municipality should persist in the principle of simultaneously developing large, medium-sized, and small joint ventures involving foreign funds, with a focus on medium-sized and small ones.

At the conference, Chen Xitong emphatically expounded the tremendous change and far-reaching influence brought about by the principles of reform and opening-up. He pointed out: "The door of reform and opening-up has already opened, and anyone who attempts to close this door will be cast aside by the people. The so-called 'sanctions' imposed by a few foreign countries will not produce the desired result. This has already been proven by the rapid and vigorous development of 'joint ventures involving foreign funds' in the municipality since last year."

On how to satisfactorily use foreign funds, Chen Xitong said: "We should first formulate a specific development strategy. The core of this strategy is to simultaneously

develop large, medium-sized, and small joint ventures involving foreign funds, with a focus on medium-sized and small ones. Then, we should pay special attention to key and major foreign-funded joint ventures, and let them spur the development of all foreign-funded joint ventures. In addition, we should carry out the quota responsibility system and the management by object among such joint ventures."

Chen Xitong also set specific demands on how to improve the quality of cadres working for the Chinese side of "joint ventures involving foreign funds." He stressed: We must select and assign to such joint ventures those excellent cadres who have a good knowledge of policies and a strong sense of responsibility, who are familiar with the regulations governing foreign affairs and nationals, and who are good at working with foreign businessmen. Incompetent cadres assigned to such joint ventures just to fill up the staff or who were assigned through private connections should be removed resolutely.

According to the work report made by Zhang Ming, chairman of the municipal committee of foreign economic relations and trade, in the first half of this year, the total number of "joint ventures involving foreign investment" approved by the municipality reached 137, a record high. The total output value of "joint ventures involving foreign funds" already put into production amounted to 2.17 billion yuan, an increase of 31.3 percent over the corresponding period last year. The foreign exchange earnings from direct export of the products by these joint ventures reached \$32.72 million, an increase of 92.4 percent over the corresponding period last year. The total volume of profits earned by industrial production-oriented joint ventures registered an increase of 48.8 percent over the corresponding period last year.

At the conference, the municipal government demanded: This year, the municipality should strive to embark on a new stage in utilizing foreign funds. At the same time, the municipality will appraise and select outstanding enterprises using foreign investment and award those districts, counties, and bureaus (corporations) which are advanced in using foreign funds.

Wu Yi, vice mayor of the municipality, and Zhang Peng, adviser to the municipal government, attended the conference.

#### Mongolian Language Promoted in North, Northwest

OW0709211390 Beijing XINHUA in English  
1458 GMT 7 Sep 90

[Text] Harbin, September 7 (XINHUA)—Co-operation in the teaching and study of the Mongolian language in north China has achieved remarkable results, according to an official of the State Nationalities Affairs Commission.



The official noted that the Inner Mongolia Autonomous Region, and Heilongjiang, Liaoning, Jilin, Qinghai and Gansu Provinces, the Xinjiang Uygur Autonomous Region and Beijing started co-operation in this field in 1975. The areas mentioned above have a total of four million ethnic Mongolians, accounting for 93 percent of the ethnic group in China.

The co-operation includes the teaching of the Mongolian language, publication of books, production of radio and television programs, academic activities and compilation of Mongolian classics.

Inner Mongolia has helped other provinces and areas train 2,000 secondary and tertiary students, and 5,000 teachers for primary and middle schools.

In order to promote further co-operation, China plans to reward those who have made outstanding achievements in this field.

#### **Inner Mongolia Meeting on Ideo-Political Work**

*SK0909070490 Hohhot Inner Mongolia Regional Service in Mandarin 1000 GMT 3 Sep 90*

[Text] How should moral education be put at the top of school work and how should it enable students to establish a clear-cut outlook on life and concept of value, and further solve students' in-depth problems of ideology and understanding? At the regional meeting on ideological and political education of institutions of higher learning recently held in Linhe County, this main topic was thoroughly studied and discussed. Attending the meeting were party committee secretaries and deputy secretaries of 22 regional institutions of higher learning, persons in charge of ideological and political work and teachers of political theoretical classes.

At the meeting, the participants conscientiously reviewed and summed up the situation in the ideological and political work of institutions of higher learning and with the ideological and political work research committee over the past year since the quelling of the counterrevolutionary rebellion in Beijing. Chen Kuiyuan, member of the Standing Committee of the regional party committee and secretary of the committee in charge of the work of institutions of higher learning, attended the meeting and talked about his own views. He noted: Current ideological and political problems of teachers and students are centered on whether the Communist leadership still works and whether communism can save and develop China. The ideological and political work of institutions of higher learning is not an expedient measure or a [words indistinct]. The fundamental purpose of conducting ideological and political work in schools is to train socialist builders and successors. Chen Kuiyuan expressed the hope that all institutions of higher learning will extensively and deeply understand and probe into the ideology of students from different angles and in various situations and will carry out the work specifically.

#### **Northeast Region**

##### **Sun Weiben's Directives on Foreign Trade Noted**

*SK0909073190 Harbin Heilongjiang Provincial Service in Mandarin 2100 GMT 7 Sep 90*

[Text] Sun Weiben, secretary of the provincial party committee, recently urged the province's institutions stationed in foreign countries to ponder issues and carry out their work based on the principle of upgrading efficiency as well as to render services in making the province prosperous. He stated that the principle set forth by the provincial party committee on opening the north gate to the outside world and establishing associations with southern localities is aimed at encouraging the province to open more sales channels. The province's institutions stationed in foreign countries should make efforts to play a role in this regard and they should make efforts in the following two aspects: 1) They should know the domestic affairs well and master the work emphasis and development strategy for each period; otherwise, they will give rise to blindness. 2) They should know the situation, custom and people's feeling, development trend, and various tendencies in the countries where they are staying well, so as to integrate the foreign situation with the province's reality. They should extensively collect information and be highly sensitive in information work so as to quickly provide reference materials for domestic staff members and workers to study their policy decisions.

##### **Quan Shuren Attends Award Day for Model Teachers**

*SK0909074890 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 7 Sep 90*

[Excerpts] During the early autumn, the people across our province joyously greet the sixth Teachers' Day. On the morning of 7 September, the propaganda department under the provincial party committee, the provincial education commission, the provincial educational trade union, the provincial teacher award foundation jointly sponsored, at the Zhonghua theater of Shenyang City, a grand commendation meeting in honor of outstanding principals and home-class teachers of middle and primary schools across the province.

Attending the commendation meeting were leading comrades from the provincial level organs, including Quan Shuren, Yue Qifeng, Sun Qi, Dai Suli, Wang Guangzhong, Xu Shaofu, Liu Wen, Shen Xianhui, and Zhang Yan; Bai Wenzhong, deputy director of the political department under the Shenyang Military Region; and (Liu Zhebin), deputy political commissar of the provincial military district.

During the commendation meeting, (Wang Quanshan), chairman of the provincial education commission, first delivered a speech extending congratulations to teachers across the province on Teachers' Day. In his speech, he highly appraised the tremendous achievements scored by 500,000 teachers across the province in their work and



urged the broad masses of teachers to go all out to make progress, to continuously improve themselves, to become both socialist-minded and vocationally proficient, to train the younger generation through their teaching work, and to make new and still greater contributions to developing and reforming the province's educational undertakings and training talented personnel with both morality and abilities.

During the commendation meeting, (Li Qiping), deputy director of propaganda department under the provincial party committee and secretary general of the provincial teacher award foundation, announced the decision on commending outstanding principals of middle and primary schools across the province; and Comrade (Song Pingzhang), chairman of the provincial education trade union, announced the decision on commending the outstanding home-class teachers of middle and primary schools across the province.

During the commendation meeting, leading comrades from the provincial level organs presented honorary certificates and mementos to 208 outstanding principals of middle and primary schools, including (Yu Shuaixian); and 311 outstanding home-class teachers of middle and primary schools, including (Xue Zhixue). [passage omitted]

During the commendation meeting, Comrade Yue Qifeng, deputy secretary of the provincial party committee and acting governor of the province, delivered a speech on behalf of the Liaoning Provincial CPC Committee and the provincial People's Government, in which he extended warm congratulations to the awarded comrades and expressed festive greeting and lofty respect to all teachers across province on Teachers' Day. [passage omitted]

Prior to the commendation meeting, leading comrades from the provincial level organs also received the representatives of outstanding principals and home-class teachers.

### Northwest Region

#### Shaanxi's Zhang Boxing Visits Jiaotong University

HK1009050990 Xian Shaanxi Provincial Service  
in Mandarin 2330 GMT 6 Sep 90

[Summary from poor reception] On 6 September, the eve of the Teachers' Day, the Shaanxi provincial party committee Secretary Zhang Boxing, and other party and government leaders visited the Xian Jiaotong University, where he had a discussion meeting with teachers on how to promote scientific, and technological and economic development through education.

At the discussion meeting, Comrade Zhang Boxing gave an account of the province's economic situation, difficulties the province is faced with, and the tasks ahead.

#### Addresses Production Conference

HK1009051190 Xian Shaanxi Provincial Service  
in Mandarin 0400 GMT 7 Sep 90

[Text] At the provincial conference on production work convened a few days ago, Zhang Boxing, secretary of the provincial party committee, and Bai Qingcai, provincial governor, stressed one after the other, that the core of deepening comprehensive enterprise reform is to conscientiously enforce the Enterprise Law, and continue to persist in, and perfect the enterprise director responsibility system.

When talking about doing a better job in the second round of enterprise contracting, the provincial party and government leaders fully affirmed the achievements made by enterprise operators in the first round of enterprise contracting.

Zhang Boxing said that the majority of enterprise operators are good. Therefore, it is necessary to fully affirm the achievements they made in the first round of contracting. With regard to the problem of some enterprise directors or managers being uneager or unwilling to continue to contract enterprises, the two party and government leaders called on party and government organs and departments responsible for enterprise operation at all levels to show more concern for, and cherish enterprise operators; make allowances for their difficulties; work hard to help them solve all sorts of problems; support them to work boldly; and encourage them to continue to contract enterprises.

Zhang Boxing and Bai Qingcai also stressed that it is necessary to stabilize, perfect, and further implement all the existing reform policies.

Zhang Boxing said that it is necessary to persist in all the policies, measures, and methods adopted by governments and departments responsible for enterprise operation at all levels in the first round of enterprise contracting, which have been proven correct in practice.

Bai Qingcai said that powers already delegated to enterprises, which do not contravene with the existing state policies, should not be withdrawn. The powers already withdrawn should be redelegated to enterprises. If enterprises have got into various types of trouble as a result of implementing the relevant policies formulated by the provincial authorities, those authorities, rather than the authorities at lower levels, should be held responsible for that.

The provincial party and government leaders also showed deep concern for the performance of enterprise operators under the current difficult circumstances. They said that enterprise directors shoulder heavy responsibilities for enterprise production and operation, have a very heavy work load, and bear tremendous pressure. The whole society should show concern, understanding, and support for enterprise directors. It is necessary to guarantee the exercise by enterprise directors of all the powers endowed to them by the law,

including operation decisionmaking, institution establishment, cadre appointment and removal, distribution, commendation, punishment, and so on.

Bai Qingcai also announced that in the fourth quarter of this year, our province will conduct an overall examination of the situation concerning implementation of all the existing reform policies in the same way as it carried out the general examination of finance and revenue work with a view to removing obstacles and pushing ahead with implementation in this regard.

#### **Xian Teachers, Students Return From Overseas**

OW0709144390 Beijing XINHUA in English  
1348 GMT 7 Sep 90

[Text] Xian, September 7 (XINHUA)—Four hundred of the 600 teachers and postgraduates sent abroad for further study by Xian Jiaotong University have returned to the university and become the backbone of its teaching and scientific research staff.

Two of the university leaders and more than half of the department deans have returned from abroad in the past ten years.

In the past decade the university has set up 18 departments and 70 laboratories from the original six departments and two laboratories.

In order to make it convenient for the returned students give full play to their professional knowledge and skills, the university usually offers those newly returned 10,000 yuan as funds to begin their research work.

Meanwhile, the university has also set up a "youth science fund", aiming to encourage the returned students to make rapid achievements in scientific research.

Luo Lihua, deputy director of the Foreign Affairs Office of the university, said that more than 30 people have also come back in the previous year, three of them with Ph.D.'s.

**Economic, Technical Exchanges With Taiwan Urged**

HK0609024390 Beijing CHINA DAILY in English  
6 Sep 90 p 4

[By Gao Anming]

[Text] Economic and technical exchanges between the Chinese mainland and Taiwan will best supply each other's needs in the increasingly competitive world of the 1990s.

Scholars from both sides of the Taiwan Strait proposed strengthening economic links between the mainland, Taiwan, Hong Kong and Macao to respond to challenges from such regional cooperatives as the European Common Market and the American Canadian Free Trade Zone in the near future.

At a symposium in early August organized by the Taiwan Alumni Association, scientists and special guests urged the Taiwan authorities to loosen restrictions and to permit direct communications, free investment and exchange of knowledge and personnel with the mainland.

The said that Taiwan has been obsessed with its excessively large foreign exchange reserve resulting from the favourable balance of trade with the United States. Such idle funds have brought rising labour costs, augmented social ills and made Taiwan less competitive on the world market.

The island has traditionally relied on the United States and Japan for new technology. But as international trade becomes more competitive, Taiwan is finding it hard to buy the most advanced technology to upgrade its industries.

**Capital**

The Chinese mainland, meanwhile, has been plagued by a severe lack of capital and modern managerial know-how. But it has relatively abundant natural resources, cheap labour and a potentially huge market. These can be ideal conditions for overseas investment.

The mainland also boasts a high quality contingent of scientists and engineers, particularly in basic scientific research. It has led the world in research on superconductors, aerospace and agronomy.

It will be mutually advantageous for the development of both if they can expand their contacts and exchanges, said the intellectuals at the forum.

Trade between the two was virtually cut off during the 30 years after the founding of the People's Republic on the mainland in 1949, said Xiu Chunping, assistant research fellow from the Institute of Taiwan Studies under the Chinese Academy of Social Sciences.

Xiu said that business transactions soared when the Chinese central government readjusted its policies in 1979. Last year, trade volume hit \$3.48 billion, 44 times

more than that in 1979. Taiwan's total investment on the mainland exceeded \$1 billion.

However, business deals were unbalanced, Xiu said. Among the \$1.52 billion of trade in 1987, the mainland imported \$1.23 billion worth of goods whereas the island spent \$0.29 billion to buy mainly raw materials. From 1979 to 1989, the mainland trade deficit amounted to \$7.46 billion, a heavy burden on its weak export market.

**Trade Policy**

Xiu urged the Taiwan authorities to reshape their trade policy towards the mainland, as she said it would facilitate further investments on the mainland and the introduction of the mainland technology and equipment which Taiwan needs for continued economic expansion.

She called on the central government to cut back on red tape and alleviate the problems caused by inadequate communications and transportation facilities as well as inadequate electricity and energy production so as to stimulate Taiwan investment.

She predicted that the present indirect trade is likely to be replaced by direct exchanges and the volume of investment is to increase continuously as the Taiwan authorities are under mounting pressure to lift restrictions on trade and communications.

She said that the mainland would still incur a trade deficit as its exports would largely be raw materials whereas Taiwan's sales to the mainland would be machinery and industrial accessories.

Xu Kunming, a researcher at the Science and Technology Exchange Centre under the State Science and Technology Commission, said that the two sides could co-operate in various areas of research.

Xu said that 98 percent of Taiwan's enterprises lack enthusiasm for the study of new technology. Funds allocated for scientific research make up 1 percent of the island's GNP. Of this, money spent on basic research accounts for merely 1.4 percent the dearth of funds, the subsequent lack of specialized personnel and poor equipment has slowed down Taiwan's expansion.

For political reasons, the mainland has established an integrated task force of scientists. They could be of great help to Taiwan if fair and effective cooperation is established.

Xu said that the mainland has been traditionally weak in applying research results to commercial use. Taiwan could help the mainland turn technology into profits.

Chen Yu-hsih, a professor and senior lecturer from Hong Kong, suggested that the mainland, Taiwan and Hong Kong join hands to set up an economic power structure to co-ordinate different areas of development.

The mainland could develop high-tech industries with its solid scientific and heavy industrial base and the other

two's capital, technology, managerial knowhow and financial and telecommunications services.

Chiu Wen-chong, a member of the association from Taiwan, said that the mainland's preferential policies towards Taiwan businessmen have fostered an odd feeling among the latter that they are being treated as foreigners in stead of compatriots.

Chiu said these policies have encouraged speculation among some Taiwan investors who doubt if such partial treatment will remain in force for a long time.

Huang Shunxing, a returned Taiwanese and a deputy to the National People's Congress, highlighted the common criticism of the Taiwan authorities for not permitting mainlanders to travel to the island freely.

Huang said that this policy is in sharp contrast with the mainland's unconditional welcoming all Taiwan compatriots.

Fan Zengsheng, another returned Taiwanese and deputy director of the Shanghai Harbour Administration, said the central government needs to know more about the feelings of the Taiwanese as the island has been factually severed from the mainland since 1895 when the Qing Dynasty lost its war with Japan.

Fan urged the government to promote mutual understanding between the two parties. this ought to be done starting with primary and middle school students, who know little about the mainland.



**Editorial Lauds 'One Country, Two Areas' Concept**

OW0809060790 Taipei CHUNG KUO SHIH PAO  
in Chinese 2 Sep 90 p 3

["Editorial: A New Concept on the Relations Between the Two Sides—Commenting on the Value and Limitations of the 'One Country, Two Areas' Concept"]

[Text] In his 31 August government work report to the Legislative Yuan, Premier Hao Po-tsun said that he will adopt a theory for legal conflicts based on the concept of "one country, two areas" in order to handle the civil law relations between the peoples across the Taiwan Strait, and that he will not accept the "one country, two systems" concept advocated by Chinese Communists.

The Executive Yuan points out: The relations between the peoples across the Taiwan Strait are developing rapidly. The original draft of the Interim Regulations Governing the Relations Between the People in the Taiwan Area and the People in the Mainland Area can no longer meet these new circumstances and must be revised. Therefore, a decision has been made to formulate a new version of the regulations based on a new concept.

We think that the Executive Yuan decision is of positive significance to the development of relations between the two sides across the strait in the present stage, and that it should be affirmed. Its advantages can be explained in three respects: (1) The "one country, two areas" concept conforms to the reality of the relations between the two sides. For many years, our government regarded Chinese Communists as a rebel group and the mainland as a rebel-controlled area. Since the government began to permit the people to visit relatives on the mainland, the rebel concept has become an irrationality, as well as an obstacle to formulating effective policies towards the mainland. In recent years, the government has adopted flexible measures to deal with certain matters towards the mainland; but, so far it has been unable to formulate a brand-new overall mainland policy because it has not yet abandoned the old dogmas. In fact, the Executive Yuan decision is nothing but an open acceptance and legal confirmation of the reality with respect to the existing relations between the two sides. However, it has provided a realistic basis for legislation concerning the relations between the two sides. It will also enable us to adopt a more realistic approach in formulating our mainland policies. (2) The new concept will prevent sensitive political controversies and disputes over sovereignty caused by such concepts as "one country, two systems" and "one country, two governments." It will also prevent the recurrence of tension between the two sides, and will help solve problems concerning nongovernmental relations between the two sides. (3) The new concept is purely neutral, showing no partiality to either side. Theoretically speaking, legislation concerning the relations between the two sides based on this concept will benefit both sides. With the new concept, it is likely that the "uncompromising" struggle long existing between the two regimes across the strait will become a

limited cooperation. If such "cooperation" expands with the change of time and circumstances, it will conform to the long-term objective of reunification of the Chinese nation.

Despite the aforesaid advantages of the new concept, we must also point out its limitations. The Executive Yuan views this concept only as a basis for civil law relations between the peoples across the strait, and it has no intention of applying this concept in readjusting the overall relations between the two sides. This is understandable. Since the civil law has very little to do with such sensitive questions as state sovereignty, it is perhaps easier for both sides to accept the practice of using geographical terms instead of political names in their civil law relations. Chances are that this practice will be unacceptable in other fields of relations between the two sides. Since the concept can, at the most, only be applied in the civil law relations, it is obviously inadequate to serve as the basis for the Law of Relations Between the Two Sides and for our overall mainland policy. Now, it is imperative for us to make a breakthrough in formulating the Law of Relations Between the Two Sides and our overall mainland policy. The government needs to do some strategic thinking to formulate more concrete policies, and should not be content only with this new concept.

The Executive Yuan put forward the "one country, two areas" concept in order to formulate, with greater foresight, a more realistic Law of Relations Between the Two Sides. However, we must understand that it is impossible for either side to unilaterally enact a genuine Law of Relations between the Two Sides, because such a law must be acceptable to both sides. No matter how impartial and objective a lawmaker is, the other side will never accept a unilaterally enacted law. A unilaterally enacted law can bind only the people of one side and not the people of the other side, even if the law is called the Law of Relations Between the Two Sides. The validity of such a law is bound to be limited.

Moreover, the Executive Yuan expects to handle civil issues between people on the two sides of the strait by applying the theories found in international private law regarding legal disputes. While this may be an innovative concept for achieving a breakthrough in the impasse, the regime on the mainland is unlikely to accept this concept because the Chinese Communists are sensitive to the issue of their so-called "sovereignty." Thus, this theory can only be applied to residents in Taiwan, and under such circumstances, the functions of such a law governing relations between people on the two sides of the strait will be quite limited. Because of the increasing contacts between people on the two sides of the strait and the growing problems concerning their rights and interests, we urge the government to make efforts to draft a law that can truly handle the relations between the two sides. In order to have this law formulated, the government should not rule out the possibility of initiating a dialogue with the mainland authorities at an appropriate time in order to discuss nonpolitical issues, provided

that appropriate guarantees can be obtained from the mainland authorities. Furthermore, since the problems caused by exchanges and contacts between the two sides are not merely those involving civil law, as many problems also involve criminal law—such as the smuggling and the trading of guns and narcotics between the underworlds on both sides—the limited cooperation should be extended to other legal areas and not just to the areas of civil issues. Needless to say, cooperation from the Chinese communist authorities is essential for the formulation of a law that can truly handle the relations between the two sides. Currently, the Chinese Communists are unlikely to cooperate unless we accept their “one country, two systems” concept. While we will never accept this concept, we still can express our willingness to open a dialogue with them so that a law which can truly handle the relations between the two sides can be drawn up.

In short, we endorse the value of the Executive Yuan's concept for handling civil issues between people on the two sides of the strait, but we must also emphasize once again its double limitations: First of all, it can only cope with the current needs, and what is designed to handle only civil issues certainly will not be adequate when relations between the two sides grow more rapidly in the future. Second, a law governing bilateral relations drawn up under such a concept can only be applied to the mainland-related conduct among Taiwan residents; it would not be able to handle the many other problems caused by increasing contacts between people on the two sides of the strait. Thus, in order to draft a law that can truly handle the relations between the two sides, dialogues—and even consultations—with the mainland are essential. Although this is the basic problem of our country's relations with the mainland, the government must also consider future needs as well.

#### **Premier Explains 'One Country, Two Areas' Idea**

*OW0809012490 Taipei International Service  
in English 0200 GMT 7 Sep 90*

[Text] Premier Hao Po-tsun said on Thursday that one country, two areas [idea] is a neutral noun which is intended to be used to solve legal problems and other civil issues between the two sides of the Taiwan Strait. Hao stressed that the one country is of course the Republic of China [ROC], while the two areas are Taiwan and mainland. The premier last week said that

while the ROC will steer its policy towards the one country, two areas idea, it will not accept the communist-Chinese-proposed one country, two systems.

#### **Delegation of Legislators Departs for U.S.**

*OW0609211590 Taipei CNA in English 1503 GMT  
6 Sep 90*

[Text] Taipei, Sept. 6 (CNA)—A group of legislators of the Republic of China left Thursday for the United States.

Legislator Ting Shou-chung, a group member, said that while in Washington, D.C., they would meet with US officials and congressmen for exchanges of views on a wide range of topics.

Others in the group include Wang Ching-tien, Chu Fang-chih, Wang Chin-ping, Wu yung-hsiung, Kao tzumin and Huang ming-ho. They are scheduled to return home on Sept. 17.

#### **Kuomintang Approves New Envoys**

*OW0809041790 Taipei CNA in English 1156 GMT  
5 Sep 90*

[Text] Taipei, Sept. 5 (CNA)—The Kuomintang's Central Standing Committee Wednesday endorsed the appointments of Republic of China [ROC] ambassador to Guatemala Loh I-cheng as ROC ambassador to South Africa, and Kuo Kang, director of Foreign Ministry's Department of Central and South American Affairs, as ROC ambassador to Dominican Republic.

The outgoing ROC ambassador to South Africa Steven Wang and ROC ambassador to Dominican Republic Wang Meng-hsien would have other assignments.

Ambassador Loh, 66, of Kiangsu Province, graduated from diplomacy department of the National Chengchi University and earned his master's degree in journalism from Colombia University in New York. He has served as minister-counselor for information in Republic of China Embassy in Washington D.C. and director of Institute of Chinese Culture in Vienna.

Kuo Kang, 63, of Shangtung Province, has served as counselor in Republic of China Embassy in Bolivia, and director-general of ROC representative office in Ecuador.

## **Macao**

### **Macao Basic Law Drafting Committee Groups Meets**

*OW0709211190 Beijing XINHUA in English  
1504 GMT 7 Sep 90*

[Text] Qingdao, September 7 (XINHUA)—Articles concerning the definition of Macao residents, their equality before the law and rights to vote and to stand for election were detailed in a panel discussion here today.

This was learned from the fifth panel meeting of groups on special subjects under the Basic Law Drafting Committee for the Macao Special Administrative Region.

At the panel discussion of the group on the basic rights and obligations of the Macao residents, the articles were added to ensure the personal freedom, dignity for the Macao residents.

Under the Basic Law Drafting Committee there are five groups on special subjects which were established last November.

Among the other two groups, respectively, on economy and the relations between the Macao Special Administrative Region and the central authorities, discussions were focused on issues concerning their own chapters.

Groups on the political structure and the cultural and social affairs will hold their meetings September 11.

### **Meeting Ends**

*OW0909150990 Beijing XINHUA in English  
1436 GMT 9 Sep 90*

[Text] Qingdao, September 9 (XINHUA)—Three groups on special subjects under the Drafting Committee of the Basic Law for the future Macao Special Administrative Region ended their fifth meeting in this east China coastal city today.

The special subjects included relations between the central authorities and the future region, basic rights and duties of the region's residents and economic affairs.

According to officials in charge of the groups, the participants referred to the Basic Law for the Hong Kong Special Administrative Region during the discussions which were however focused on the special conditions in Macao.

In the past few days, the discussions were centered around education, academic research, the freedom of literary creation and marriage, revenues, taxation, currency, foreign trade, and labor and investment policies.

Other two groups of the drafting committee on political structure and social and cultural affairs will hold their fifth meetings September 11 also in Qingdao.

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